

**CITY OF SANTA BARBARA  
CITY COUNCIL  
REDEVELOPMENT AGENCY**

**Helene Schneider**  
*Mayor/Chair*  
**Bendy White**  
*Mayor Pro Tempore/Vice Chair*  
**Grant House**  
*Ordinance Committee Chair*  
**Dale Francisco**  
*Finance Committee Chair*  
**Frank Hotchkiss**  
**Randy Rowse**  
**Michael Self**



**James L. Armstrong**  
*City Administrator/  
Executive Director*

**Stephen P. Wiley**  
*City Attorney/Agency Counsel*

**City Hall**  
735 Anacapa Street  
<http://www.SantaBarbaraCA.gov>

**SEPTEMBER 13, 2011  
AGENDA**

**ORDER OF BUSINESS:** Regular meetings of the Finance Committee and the Ordinance Committee begin at 12:30 p.m. The regular City Council and Redevelopment Agency meetings begin at 2:00 p.m. in the Council Chamber at City Hall.

**REPORTS:** Copies of the reports relating to agenda items are available for review in the City Clerk's Office, at the Central Library, and <http://www.SantaBarbaraCA.gov>. In accordance with state law requirements, this agenda generally contains only a brief general description of each item of business to be transacted or discussed at the meeting. Should you wish more detailed information regarding any particular agenda item, you are encouraged to obtain a copy of the Council Agenda Report (a "CAR") for that item from either the Clerk's Office, the Reference Desk at the City's Main Library, or online at the City's website (<http://www.SantaBarbaraCA.gov>). Materials related to an item on this agenda submitted to the Council/Redevelopment Agency after distribution of the agenda packet are available for public inspection in the City Clerk's Office located at City Hall, 735 Anacapa Street, Santa Barbara, CA 93101, during normal business hours.

**PUBLIC COMMENT:** At the beginning of the 2:00 p.m. session of each regular Council/Redevelopment Agency meeting, and at the beginning of each special Council/Redevelopment Agency meeting, any member of the public may address them concerning any item not on the Council/Redevelopment Agency agenda. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that public comment is taken up by the Council/Redevelopment Agency. Should Council/Redevelopment Agency business continue into the evening session of a regular Council/Redevelopment Agency meeting at 6:00 p.m., the Council/Redevelopment Agency will allow any member of the public who did not address them during the 2:00 p.m. session to do so. The total amount of time for public comments will be 15 minutes, and no individual speaker may speak for more than 1 minute. The Council/Redevelopment Agency, upon majority vote, may decline to hear a speaker on the grounds that the subject matter is beyond their jurisdiction.

**REQUEST TO SPEAK:** A member of the public may address the Finance or Ordinance Committee or Council/Redevelopment Agency regarding any scheduled agenda item. Any person wishing to make such address should first complete and deliver a "Request to Speak" form prior to the time that the item is taken up by the Finance or Ordinance Committee or Council/Redevelopment Agency.

**CONSENT CALENDAR:** The Consent Calendar is comprised of items that will not usually require discussion by the Council/Redevelopment Agency. A Consent Calendar item is open for discussion by the Council/Redevelopment Agency upon request of a Council/Agency Member, City staff, or member of the public. Items on the Consent Calendar may be approved by a single motion. Should you wish to comment on an item listed on the Consent Agenda, after turning in your "Request to Speak" form, you should come forward to speak at the time the Council/Redevelopment Agency considers the Consent Calendar.

**AMERICANS WITH DISABILITIES ACT:** In compliance with the Americans with Disabilities Act, if you need special assistance to gain access to, comment at, or participate in this meeting, please contact the City Administrator's Office at 564-5305 or inquire at the City Clerk's Office on the day of the meeting. If possible, notification at least 48 hours prior to the meeting will enable the City to make reasonable arrangements in most cases.

**TELEVISION COVERAGE:** Each regular Council meeting is broadcast live in English and Spanish on City TV Channel 18, and rebroadcast in English on Wednesdays and Thursdays at 7:00 p.m. and Saturdays at 9:00 a.m., and in Spanish on Sundays at 4:00 p.m. Each televised Council meeting is closed captioned for the hearing impaired. Check the City TV program guide at [www.citytv18.com](http://www.citytv18.com) for rebroadcasts of Finance and Ordinance Committee meetings, and for any changes to the replay schedule.

## **ORDER OF BUSINESS**

- 12:30 p.m. - Finance Committee Meeting, David Gebhard Public Meeting Room, 630 Garden Street
- 2:00 p.m. - City Council Meeting
- 2:00 p.m. - Redevelopment Agency Meeting

### **FINANCE COMMITTEE MEETING - 12:30 P.M. IN THE DAVID GEBHARD PUBLIC MEETING ROOM, 630 GARDEN STREET (120.03)**

**Subject: Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011**

Recommendation: That the Finance Committee recommend that Council:

- A. Accept the Fiscal Year 2011 Interim Financial Statements for the Year Ended June 30, 2011;
- B. Hear a report from staff on the General Fund's preliminary year-end results of revenues and expenditures in relation to budget as of June 30, 2011; and
- C. Approve an allocation of \$11,633 to the Fiscal Year 2011 City Attorney's Office budget and \$188,777 to the Police Department budget from General Fund appropriated reserves to cover unbudgeted expenditures in those departments.  
(See Council Agenda Item No. 16)

**REGULAR CITY COUNCIL MEETING – 2:00 P.M.  
REGULAR REDEVELOPMENT AGENCY MEETING – 2:00 P.M.**

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL**

**CEREMONIAL ITEMS**

**1. Subject: Employee Recognition - Service Award Pins (410.01)**

Recommendation: That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through September 30, 2011.

**CHANGES TO THE AGENDA**

**PUBLIC COMMENT**

**CONSENT CALENDAR**

**CITY COUNCIL**

**2. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of July 5, 2011 (cancelled), the regular meeting of July 26, 2011, and the regular meeting of August 9, 2011.

**3. Subject: Community Promotion Contract With Summer Solstice Celebration, Inc. (230.02)**

Recommendation: That Council authorize the Finance Director to execute a Community Promotion contract with Summer Solstice Celebration, Inc. in an amount of \$37,851 to support year-round salary and production expenses.

## **CONSENT CALENDAR (CONT'D)**

### **CITY COUNCIL (CONT'D)**

**4. Subject: Letter Of Support For Santa Maria Air Tanker Base (150.01)**

Recommendation: That Council authorize the Mayor to send a letter to California state senators and area members of congress supporting the restoration of the Santa Maria Air Tanker Base to full service status.

**5. Subject: Fiscal Year 2012 Interim Financial Statements For The One Month Ended July 31, 2011 (250.02)**

Recommendation: That Council accept the Fiscal Year 2012 Interim Financial Statements For The One Month Ended July 31, 2011.

**6. Subject: Adoption Of Ordinance Establishing Bay View Circle As A One-Way Street (530.05)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 10.60 of the Municipal Code by Revising Section 10.60.030, Establishing Bay View Circle as a Counter-Clockwise One-Way Street.

**7. Subject: Contract For Construction For The Lower West Downtown Street Lighting Project, Phase 1 (530.04)**

Recommendation: That Council:

- A. Award a contract with Taft Electric Company in their low bid amount of \$274,159.56 for construction of the Lower West Downtown Lighting Project, Phase 1, Bid No. 3617; and
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$27,500 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

**8. Subject: Contract For Construction Of The Headworks Screening Replacement Project At El Estero Wastewater Treatment Plant (540.13)**

Recommendation: That Council:

- A. Award a contract with Stanek Constructors, Inc., in their low bid amount of \$3,910,000 for construction of the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant, Bid No. 3570;
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$391,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;

(Cont'd)

## **CONSENT CALENDAR (CONT'D)**

### CITY COUNCIL (CONT'D)

#### **8. (Cont'd)**

- C. Authorize the Public Works Director to execute a contract with Carollo Engineering in the amount of \$200,000 for construction support services, and approve expenditures of up to \$20,000 for extra services of Carollo Engineering that may result from necessary changes in the scope of work;
- D. Authorize the Public Works Director to execute a contract with Mimiaga Engineering Group in the amount of \$380,240 for construction management services, and approve expenditures of up to \$38,025 for extra services of Mimiaga Engineering Group that may result from necessary changes in the scope of work;
- E. Accept a loan in the amount of \$5,200,000 from the Clean Water State Revolving Fund for the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant; and
- F. Increase Wastewater Capital Fund appropriations and estimated revenues by \$5,200,000.

#### **9. Subject: Response To Grand Jury Report On Post-Employment Benefits In Santa Barbara County (150.04)**

Recommendation: That Council:

- A. Consider and adopt responses as the City Council responses to the Grand Jury report entitled "Local Government Post-Employment Benefits in Santa Barbara County - Complicated and Costly"; and
- B. Approve and authorize the City Administrator to execute a letter forwarding the responses to the Assistant Presiding Judge.

#### **10. Subject: Set A Date For Public Hearing Regarding Appeal Of Single Family Design Board Approval For 1359 And 1383 Santa Teresita Drive (640.07)**

Recommendation: That Council:

- A. Set the date of October 18, 2011, at 2:00 p.m. for hearing the appeal filed by Debbie Foley of the Single Family Design Board approval of an application for grading repair and storm water drainage improvements for an easement area located between two lots at 1359 and 1383 Santa Teresita Drive, Assessor's Parcel Nos. 055-141-053 and 055-141-045, Single Family Residential Zone, General Plan Designation: Residential, One Unit per Acre. The project proposes 2,500 cubic yards of import fill grading to repair the slope failure and erosion to the slope of a secondary access unpaved road for an easement area owned by Pacifcor, Inc., which serves the parcel located at 1575 N. Ontare Drive; and
- B. Set the date of October 17, 2011, at 1:30 p.m. for a site visit to the properties located at 1359 and 1383 Santa Teresita Drive.

## **CONSENT CALENDAR (CONT'D)**

### **REDEVELOPMENT AGENCY**

**11. Subject: Redevelopment Agency Fiscal Year 2012 Interim Financial Statements For The One Month Ended July 31, 2011**

Recommendation: That Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2012 Interim Financial Statements for the One Month Ended July 31, 2011.

**12. Subject: Redevelopment Agency Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011**

Recommendation: That Redevelopment Agency Board accept the Redevelopment Agency Fiscal Year 2011 Interim Financial Statements for the Twelve Months Ended June 30, 2011.

### **NOTICES**

13. The City Clerk has on Thursday, September 8, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
14. Received a letter of resignation from Architectural Board of Review Member Clay Aurell; the vacancy will be part of the next City Advisory Group recruitment. (640.03)

**This concludes the Consent Calendar.**

## **REPORT FROM THE FINANCE COMMITTEE**

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### **COMMUNITY DEVELOPMENT DEPARTMENT**

**15. Subject: Council Subcommittee On Homelessness And Community Relations (660.04)**

Recommendation: That Council:

- A. Support, in concept, the consolidation of Bringing Our Community Home, Common Ground Santa Barbara and the Regional Homeless Advisory Committees into a regional homeless collaborative, and direct Council and staff to participate in a planning workshop to be held in Fall 2011;

(Cont'd)

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS (CONT'D)**

### **COMMUNITY DEVELOPMENT DEPARTMENT (CONT'D)**

#### **15. (Cont'd)**

- B. Set aside Fiscal Year 2013 Human Services funding to pay the City's fair share of staffing costs of the homeless collaborative, with the expectation that other public government bodies will also step up with their fair share;
- C. If appropriate, offer in-kind office space on the South Coast for the homeless collaborative;
- D. Direct staff to work with the County of Santa Barbara Housing and Community Development Department on the selection of a new homeless management information system (HMIS);
- E. Direct Police Department staff to develop measurable outcomes for the Enhanced Restorative Policing Pilot Program and report semiannually on the progress of meeting these outcomes, including any discernible changes in the neighborhood issues near Casa Esperanza; and
- F. Direct staff to complete Phase I of the Real Change Not Spare Change alternate giving campaign and suspend the implementation of Phase II.

### **FINANCE DEPARTMENT**

#### **16. Subject: Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011 (250.02)**

Recommendation: That Council:

- A. Accept the Fiscal Year 2011 Interim Financial Statements for the Year Ended June 30, 2011;
- B. Hear a report from staff on the General Fund's preliminary year-end results of revenues and expenditures in relation to budget as of June 30, 2011; and
- C. Approve an allocation of \$11,633 to the Fiscal Year 2011 City Attorney's Office budget and \$188,777 to the Police Department budget from General Fund appropriated reserves to cover unbudgeted expenditures in those departments.

#### **17. Subject: Public Hearing Regarding Proposed Increase To Rates For Business Sector Recycling Services (630.01)**

Recommendation: That Council:

- A. Hold a Public Hearing, as required by State law, regarding a proposed increase to the rates for business sector recycling services effective October 1, 2011; and
- B. Provide direction to staff regarding any changes to the proposed rates for business sector recycling services effective October 1, 2011.

**COUNCIL AND STAFF COMMUNICATIONS**

**COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

**ADJOURNMENT**



CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: September 13, 2011

Dale Francisco, Chair

TIME: 12:30 P.M.

Michael Self

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Bendy White

James L. Armstrong  
City Administrator

Robert Samario  
Finance Director

**ITEM TO BE CONSIDERED:**

**Subject: Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011**

Recommendation: That the Finance Committee recommend that Council:

- A. Accept the Fiscal Year 2011 Interim Financial Statements for the Year Ended June 30, 2011;
- B. Hear a report from staff on the General Fund's preliminary year-end results of revenues and expenditures in relation to budget as of June 30, 2011; and
- C. Approve an allocation of \$11,633 to the Fiscal Year 2011 City Attorney's Office budget and \$188,777 to the Police Department budget from General Fund appropriated reserves to cover unbudgeted expenditures in those departments.

(See Council Agenda Item No. 16)



# **CITY OF SANTA BARBARA**

## **COUNCIL AGENDA REPORT**

**AGENDA DATE:** September 13, 2011  
**TO:** Mayor and Councilmembers  
**FROM:** City Administrator's Office  
**SUBJECT:** Employee Recognition – Service Award Pins

### **RECOMMENDATION:**

That Council authorize the City Administrator to express the City's appreciation to employees who are eligible to receive service award pins for their years of service through September 30, 2011.

### **DISCUSSION:**

Since 1980, the City Employees' Recognition Program has recognized length of City Service. Service award pins are presented to employees for every five years of service. Those employees achieving 25 years of service or more are eligible to receive their pins in front of the City Council.

Attached is a list of those employees who will be awarded pins for their service through September 30, 2011.

**ATTACHMENT:** September 2011 Service Awards  
**SUBMITTED BY:** Marcelo López, Assistant City Administrator  
**APPROVED BY:** City Administrator's Office

**SEPTEMBER 2011 SERVICE AWARDS**

September 13, 2011 Council Meeting

**5 YEARS**

Antoine Durosseau, GIS Technician, Administrative Services  
Caroline Dosa, Accounting Assistant, Finance  
Nuvia Alvarez, Library Assistant II, Library  
Artemio Aranda, Grounds Maintenance Worker II, Parks and Recreation  
John Velasco, Park Ranger, Parks and Recreation  
Anthony Nunez, Animal Control Officer II, Police  
Holly Perea, Police Technician, Police  
James Fink, Electronics/Communications Technician II, Public Works  
Patrick Shanahan, Supervising Engineer, Public Works  
Ryan Kelly, Harbor Patrol Officer, Waterfront  
Timothy Petter, Senior Waterfront Maintenance Worker, Waterfront

**10 YEARS**

Brian Walsh, Fire Captain, Fire  
Nicole Lvoff, Library Assistant I, Library  
Oscar Gonzalez, Police Officer, Police  
Shawn Hill, Police Officer, Police  
Joshua Morton, Police Officer, Police  
Jon Palka, Police Officer, Police  
Charles Venable, Police Officer, Police  
Cristina Caratachea, Administrative Assistant, Public Works

**15 YEARS**

Catherine Taylor, Water System Manager, Public Works

**20 YEARS**

Riley Harwood, Police Sergeant, Police  
David Henderson, Police Sergeant, Police  
Laurence Nufer, Harbor Patrol Officer, Waterfront

**25 YEARS**

Mark Vogel, Grounds Maintenance Crew Leader, Parks and Recreation  
Terri Yamada, Administrative Assistant, Parks and Recreation

**30 YEARS**

Patrick McElroy, Fire Operations Division Chief, Fire  
Maria Borden, Parking Enforcement Officer, Police  
Gabriel Ibarra, Treatment Plant Technician, Public Works



# **CITY OF SANTA BARBARA CITY COUNCIL MINUTES**

## **REGULAR MEETING July 5, 2011 COUNCIL CHAMBER, 735 ANACAPA STREET**

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The regular meeting of the City Council, scheduled for 2:00 p.m. on July 5, 2011, was cancelled by the Council on November 9, 2010.

The next regular meeting of the City Council is scheduled for July 12, 2011, at 2:00 p.m. in the Council Chamber.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

\_\_\_\_\_  
HELENE SCHNEIDER  
MAYOR

ATTEST: \_\_\_\_\_  
SUSAN TSCHECH, CMC  
DEPUTY CITY CLERK



# **CITY OF SANTA BARBARA CITY COUNCIL MINUTES**

## **REGULAR MEETING July 26, 2011 COUNCIL CHAMBER, 735 ANACAPA STREET**

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### **CALL TO ORDER**

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance and Ordinance Committees, which ordinarily meet at 12:30 p.m., did not meet on this date.)

### **PLEDGE OF ALLEGIANCE**

Mayor Schneider.

### **ROLL CALL**

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Randy Rowse, Michael Self, Bendy White, Mayor Schneider.

Councilmembers absent: None.

Staff present: City Administrator James L. Armstrong, Assistant City Attorney N. Scott Vincent, Deputy City Clerk Susan Tschech.

### **CEREMONIAL ITEMS**

1. Subject: Certificate Of Recognition For Price, Postel & Parma's 160th Anniversary (120.08)

Action: Proclamation presented to Timothy Metzinger and Melissa Fassett, representing Price, Postel & Parma.

## **CHANGES TO THE AGENDA**

### Item Removed from Agenda

City Administrator Armstrong stated that the following item was being removed from the agenda:

11. Subject: Conference With Labor Negotiator (440.05)

Recommendation: That Council hold a closed session, per Government Code Section 54957.6, to consider instructions to City negotiator Kristy Schmidt, Employee Relations Manager, regarding negotiations with General and Supervisory bargaining units, and regarding discussions with unrepresented management and confidential employees about salaries and fringe benefits.

Scheduling: Duration, 30 minutes; anytime

Report: None anticipated

## **PUBLIC COMMENT**

Speakers: Patricia Bartoli-Wible, Southern California Edison; Kellam de Forest.

## **ITEM REMOVED FROM CONSENT CALENDAR**

5. Subject: Safe Surrender Of Newborn Infants Program Resolution (520.03)

Recommendation: That Council adopt, by reading of title only, A Resolution of the Council of the City of Santa Barbara Designating Fire Stations as Safe Surrender Sites for Newborn Infants.

Documents:

- July 26, 2011, report from the Fire Chief.
- Proposed Resolution.

The title of the resolution was read.

Speakers:

Staff: Fire Chief Andrew DiMizio.

Motion:

Councilmembers White/House to approve the recommendation;  
Resolution No. 11-064.

Vote:

Majority roll call vote (Noes: Councilmember Hotchkiss).

## **CONSENT CALENDAR (Item Nos. 2 - 4 and 6 - 9)**

The title of the ordinance related to Item No. 3 was read.

**Motion:**

Councilmembers Francisco/White to approve the Consent Calendar as recommended.

**Vote:**

Unanimous roll call vote.

**2. Subject: Minutes**

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of May 24, 2011.

Action: Approved the recommendation.

**3. Subject: Adoption Of Ordinance For General Unit Memorandum Of Understanding Extension And Fiscal Year 2012 Furlough (440.02)**

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending the 2008-2010 Memorandum of Understanding Between the City of Santa Barbara and the Santa Barbara City Employees' Association (General Unit), Ordinance No. 5477, to Extend the Term of the Agreement Through September 30, 2012, and to Include a Supplemental Agreement on Labor Concessions.

Action: Approved the recommendation; Ordinance No. 5561; Agreement No. 22,993.1.

**4. Subject: Hazardous Materials Response Memorandum Of Understanding (520.02)**

Recommendation: That Council authorize the Fire Chief to execute a Memorandum of Understanding between the City, Montecito Fire Protection District, and the Carpinteria-Summerland Fire Protection District.

Action: Approved the recommendation; Agreement No. 23,846 (July 26, 2011, report from the Fire Chief).

**6. Subject: Agreement For Franceschi Park Resident Caretaker (570.05)**

Recommendation: That Council authorize the Parks and Recreation Director to execute a Caretaker Rental Agreement for Franceschi Park with Jeffery Miller through July 31, 2012.

(Cont'd)

6. (Cont'd)

Action: Approved the recommendation; Agreement No. 23,847 (July 26, 2011, report from the Parks and Recreation Director).

7. Subject: Donation For Graffiti Tracker Program (520.04)

Recommendation: That Council appropriate \$4,414 in the Fiscal Year 2012 Police Department from General Fund reserves generated from a donation received from Allied Waste in Fiscal Year 2011 for the Graffiti Tracker Program.

Action: Approved the recommendation (July 26, 2011, report from the Chief of Police).

8. Subject: Easements At The Airport (330.03)

Recommendation: That Council approve and authorize the City Administrator to execute an Addendum to Amendment of Avigation, Noise, and Runway Protection and Navigational Aids Easement, as Amended, between the City, as Grantee, and Santa Barbara Realty Holding Company, LLC, a Delaware limited liability company, and Santa Barbara Realty Development, LLC, a Delaware limited liability company, as Grantor, to clarify building restrictions in the Runway Protection Zone.

Action: Approved the recommendation; Deed No. 61-364 (July 26, 2011, report from the Airport Director).

## NOTICES

9. The City Clerk has on Thursday, July 21, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.

This concluded the Consent Calendar.

## **COUNCIL AND STAFF COMMUNICATIONS**

Councilmember Hotchkiss requested that the Council consider an ex-agenda item related to the City's response to current allegations against a City police officer. Assistant City Attorney Vincent explained that since this issue is not of an emergency nature, it does not qualify as an ex-agenda item; the Council agreed to follow the established procedure for placement of this issue on a future Council agenda.



## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### **COMMUNITY DEVELOPMENT DEPARTMENT**

#### **10. Subject: Plan Santa Barbara (PlanSB) General Plan Update (650.05)**

Recommendation: That Council consider the Council Ad Hoc Subcommittee recommended amendments to the draft PlanSB General Plan Update Elements, including the Open Space and Recreation, Environmental Resources, Economy and Fiscal Health, and Public Services and Safety Elements, and provide direction to staff.

#### **Documents:**

- July 26, 2011, report from the Assistant City Administrator/Community Development Director.
- Affidavit of Publication.
- PowerPoint presentation prepared and made by Staff.
- List of proposed revisions to General Plan Update, submitted by Councilmember Self.
- July 25, 2011, letter from the Community Environmental Council.
- July 25, 2011, email communication from William and Charity Gourley; copies of this message were also received from Tom Hughes, Gayle Engle, Tom Jacobs, Elizabeth Wagner, David Dolotta, Christine Bourgeois, Eric Swenumson, Grace Feldmann, Puneeth Kalavase, Michael Hanrahan, W. Steven Jones, Ryan Stepp, James Hawkins, John Coplin.
- July 25, 2011, email communications from Hugh Kelly, Brian Trautwein, Katherine Whan, Miguel Checa, Cecilia Johnson, David Proffer, John Sacko, Haskell Friedman.
- July 26, 2011, email communications from Nancy Black, Fran Koort.

#### **Speakers:**

- Staff: Principal Planner John Ledbetter, City Planner Bettie Weiss, Assistant City Attorney N. Scott Vincent, Project Planner Barbara Shelton.
- Members of the Public: Paul Hernadi, Citizens Planning Association; Virginia Robbins; Brooke Robbins; Mickey Flacks; Kellam de Forest; Sheila Lodge.

#### **Discussion:**

The Council discussed the amendments proposed by the Ad Hoc Subcommittee to several General Plan Update Elements, as well as recommended Final Environmental Impact Report Mitigation Measures (Attachments 1 and 2 to the Council Agenda Report); some further changes were put forth. The list of additional revisions to General Plan Update provisions submitted by Councilmember Self was also discussed.

(Cont'd)

10. (Cont'd)

Motion:

Councilmembers House/Hotchkiss to accept the Council Ad Hoc Subcommittee recommended amendments to the General Plan Update Elements under discussion today, with the additional revisions agreed upon by consensus.

Vote:

Unanimous voice vote.

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

Information:

- Councilmember Hotchkiss reported on the Arts Advisory Committee's recent discussion regarding the restoration of the Chromatic Gate.
- Councilmember Francisco reported that at its last meeting, the Cachuma Operation and Maintenance Board heard the status of the completion of environmental review for the Cachuma Project.
- Councilmember Rowse mentioned that the Downtown Parking Committee considered the plan for the entryway to the new Ensemble Theatre and its impacts on existing parking.

## **ADJOURNMENT**

Mayor Schneider adjourned the meeting at 4:45 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

_____	ATTEST: _____
HELENE SCHNEIDER MAYOR	SUSAN TSCHECH, CMC DEPUTY CITY CLERK



# **CITY OF SANTA BARBARA**

## **CITY COUNCIL MINUTES**

### **REGULAR MEETING**

**August 9, 2011**

### **COUNCIL CHAMBER, 735 ANACAPA STREET**

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#### **CALL TO ORDER**

Mayor Helene Schneider called the meeting to order at 2:00 p.m. (The Finance and Ordinance Committees, which ordinarily meet at 12:30 p.m., did not meet on this date.)

#### **PLEDGE OF ALLEGIANCE**

Mayor Schneider.

#### **ROLL CALL**

Councilmembers present: Dale Francisco, Frank Hotchkiss, Grant House, Randy Rowse, Michael Self, Mayor Schneider.

Councilmembers absent: Bendy White.

Staff present: City Administrator James L. Armstrong, City Attorney Stephen P. Wiley, Deputy City Clerk Susan Tschech.

#### **CEREMONIAL ITEMS**

1. Subject: Proclamation Declaring August 2011 As Spinal Muscular Atrophy Awareness Month (120.04)

Action: Proclamation presented to Victoria Strong, representing the Gwendolyn Strong Foundation.

#### **PUBLIC COMMENT**

Speakers: Alex Sheldon, representing the Santa Barbara/Weihai Sister City Association, and visiting Chinese students; Wayne Scoles; Andrea; Kathi King, Choose to Reuse; Kate Longstory; Michael Warnken.

## **ITEM REMOVED FROM CONSENT CALENDAR**

Councilmember Self stated she would abstain from voting on the following item due to a conflict of interest related to her ownership of property located near the properties referred to in the item.

3. Subject: Adoption Of Ordinance To Approve The Disposition Of Excess Portions Of City Land At Vic Trace Reservoir (330.03)

Recommendation: That Council adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Approving the Disposition of a Certain 0.264- Acre Excess Portion of the Vic Trace Reservoir Property Known as Assessor's Parcel Number 035-033-013 to the Owners of the Adjacent Parcels of the Real Property Commonly Known as 1557, 1547 and 1537 La Crest Circle in the City of Santa Barbara.

The title of the ordinance was read.

Motion:

Councilmembers Rowse/Francisco to approve the recommendation; Ordinance No. 5562; Deed Nos. 61-364, 61-365 and 61-366.

Vote:

Unanimous roll call vote (Abstentions: Councilmember Self; Absent: Councilmember White).

## **CONSENT CALENDAR (Item Nos. 2 and 4 - 7)**

The title of the ordinance related to Item No. 4 was read.

Motion:

Councilmembers House/Rowse to approve the Consent Calendar as recommended.

Vote:

Unanimous voice vote (Absent: Councilmember White).

2. Subject: Minutes

Recommendation: That Council waive the reading and approve the minutes of the regular meeting of July 12, 2011.

Action: Approved the recommendation.

4. Subject: Introduction Of Ordinance Establishing Prima Facie Speed Limits On Cota Street (530.05)

Recommendation: That Council introduce and subsequently adopt, by reading of title only, An Ordinance of the Council of the City of Santa Barbara Amending Chapter 10.60 of the Municipal Code by Revising Section 10.60.015, Establishing Prima Facie Speed Limits on Cota Street Between Santa Barbara Street and Alameda Padre Serra at 25 Miles Per Hour.

Action: Approved the recommendation (August 9, 2011, report from the Public Works Director; proposed ordinance).

5. Subject: Contract For Industrial Waste Pretreatment Program Services (540.13)

Recommendation: That Council authorize the Public Works Director to execute a City Professional Services contract with Larry Walker Associates (LWA), in a form approved by the City Attorney, in the amount of \$33,086 to provide required revisions to the City's Industrial Waste Pretreatment Program (Pretreatment Program) and authorize the Public Works Director to approve expenditures of up to \$3,309 for extra services of LWA that may result from necessary changes in the scope of work.

Action: Approved the recommendation; Contract No. 23,853 (August 9, 2011, report from the Public Works Director).

## NOTICES

6. The City Clerk has on Thursday, August 4, 2011, posted this agenda in the Office of the City Clerk, on the City Hall Public Notice Board on the outside balcony of City Hall, and on the Internet.
7. Cancellation of the regular Redevelopment Agency meeting of August 9, 2011, due to lack of business.

This concluded the Consent Calendar.

## **CITY COUNCIL ADMINISTRATIVE AND ATTORNEY REPORTS**

### COMMUNITY DEVELOPMENT DEPARTMENT

8. Subject: City Arts Advisory Committee And Community Events And Festivals Committee Funding Recommendations And Contract With The Santa Barbara County Arts Commission For Fiscal Year 2012 (610.04)

Recommendation: That Council:

- A. Review and approve the City of Santa Barbara Arts Advisory Committee and Community Events and Festivals Committee Funding Recommendations for Fiscal Year 2012; and

(Cont'd)

8. (Cont'd)

- B. Authorize the Assistant City Administrator/Community Development Director to execute an agreement with the Santa Barbara County Arts Commission for \$427,260 as approved in the Fiscal Year 2012 budget.

Documents:

August 9, 2011, report from the Assistant City Administrator/Community Development Director.

Speakers:

- Staff: Administrative Services Manager Sue Gray.
- Santa Barbara County Arts Commission: Executive Director Ginny Brush.

Motion:

Councilmembers Hotchkiss/Francisco to approve the recommendations; Agreement No. 23,854.

Vote:

Unanimous voice vote (Absent: Councilmember White).

PUBLIC WORKS DEPARTMENT

9. Subject: Intersection Improvements For De La Vina Street At Figueroa Street And De La Vina Street At Canon Perdido Street (530.04)

Recommendation: That Council:

- A. Hear a report on the options for intersection improvements on De La Vina Street at Figueroa Street and De La Vina Street at Canon Perdido Street;
- B. Accept a Highway Safety Improvement Program (HSIP) grant of \$326,300 for pedestrian safety improvements at the intersection of De la Vina Street and Figueroa Street, which would include curb extensions and additional lighting, and appropriate the grant funds in the Streets Capital Fund; and
- C. Discontinue further capital improvements to the intersection improvements on De La Vina Street at Canon Perdido Street.

Documents:

- August 9, 2011, report from the Public Works Director.
- PowerPoint presentation prepared and made by Staff.

Speakers:

- Staff: Transportation Manager Browning Allen, City Attorney Stephen Wiley, Public Works Director Christine Andersen.
- MNS Engineers (Consultant to City): Greg Knudsen.
- Transportation and Circulation Committee: Member Keith Coffman-Grey.

(Cont'd)

9. (Cont'd)

Speakers (Cont'd):

- Members of the Public: Brittany Heaton; Jim Heaton; Kellam de Forest; Sherrie Fisher, Metropolitan Transit District; Lee Moldaver; Jerry Matteo; Michael Warnken.

Motion:

Councilmembers House/Rowse to continue the issue of improving the intersection of De La Vina and Figueroa Streets, directing Staff to return in 60 days with information related to and the funding sources for the following options: 1) striping, lighting, signage, and an extended red curb on De La Vina Street; 2) construction of curb extensions on fewer than the four corners of the intersection; and 3) the proposal before the Council today, which includes curb extensions on all four corners.

Vote:

Majority voice vote (Noes: Councilmembers Hotchkiss, Self; Absent: Councilmember White).

Motion:

Councilmembers Self/Hotchkiss to discontinue further capital improvements to the intersection of De La Vina and Canon Perdido Streets and direct Staff to: 1) implement operational improvements, except for tree removal, at this intersection; and 2) return to Council with a report on the results of those improvements and for further direction related to possible tree removal.

Vote:

Unanimous voice vote (Absent: Councilmember White).

**RECESS**

4:32 p.m. - 4:45 p.m.

**MAYOR AND COUNCIL REPORTS**

10. Subject: Request From Councilmembers Randy Rowse And Michael Self Regarding A Letter To The California Public Utilities Commission About The Southern California Edison "Smart Meter Connect" Program (380.01)

Recommendation: That Council consider a recommendation from Councilmembers Rowse and Self to contact the California Public Utilities Commission regarding the Southern California Edison "Smart Meter Connect" Program.

(Cont'd)

10. (Cont'd)

Documents:

- August 9, 2011, report from the City Administrator.
- August 8, 2011, e-mail communication from Dave Davis, Community Environmental Council.
- Written remarks made by Susie Thompson.

Speakers:

- Staff: City Attorney Stephen Wiley.
- Members of the Public: Alice Edwards; Stephen Thomas, Consumers Power Alliance; Jack Reed, Community Planet Foundation; Britta Bartels; Pat Johnson; Susie Thompson; Eileen Anthony; Irene Kopel; Diane Thorn; Jim Richardson; Isaac Garrett; Eric Eisenhammer; Diana Hull; Don Close; Jerry Matteo; Joyse Hobson.

Motion:

Councilmembers House/Hotchkiss to approve the sending of a letter to the California Public Utilities Commission, to be signed by Mayor Schneider and copied to Southern California Edison, describing today's testimony from and acknowledging the concerns of the community about smart meters; expressing the Council's dismay regarding the late dissemination of information to the public about smart meters; and stating that City residents are pressing for a smart meter opt-out provision at no cost.

Vote:

Majority voice vote (Noes: Councilmembers Francisco, Self; Absent: Councilmember White).

## **COUNCILMEMBER COMMITTEE ASSIGNMENT REPORTS**

Information:

Mayor Schneider expressed the Council's appreciation to Old Spanish Days, the volunteers, law enforcement personnel, and City street crews for a successful 2011 Fiesta celebration.

## **RECESS**

The Mayor recessed the meeting at 6:03 p.m. in order for the Council to reconvene in closed session for Agenda Item 11; she stated there would be no reportable action taken during the closed session.



## **CLOSED SESSIONS**

11. Subject: Conference With Legal Counsel - Pending Litigation (160.03)

Recommendation: That Council hold a closed session to consider pending litigation pursuant to subsection (a) of section 54956.9 of the Government Code and take appropriate action as needed. The pending litigation is Donald Sipple and New Cingular Wireless PSC LLC, et al., v. The City of Alameda, California, et al., LASC Case No. BC432270.

Scheduling: Duration, 15 minutes; anytime

Report: None anticipated

Documents:

August 9, 2011, report from the City Attorney.

Time:

6:10 p.m. - 6:20 p.m. Councilmember House entered at 6:15 p.m.;  
Councilmembers Self and White were absent.

No report made.

## **ADJOURNMENT**

Mayor Schneider adjourned the meeting at 6:20 p.m.

SANTA BARBARA CITY COUNCIL

SANTA BARBARA  
CITY CLERK'S OFFICE

_____	ATTEST: _____
HELENE SCHNEIDER	SUSAN TSCHECH, CMC
MAYOR	DEPUTY CITY CLERK



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Finance Department

**SUBJECT:** Community Promotion Contract With Summer Solstice Celebration, Inc.

### RECOMMENDATION:

That Council authorize the Finance Director to execute a Community Promotion contract with Summer Solstice Celebration, Inc. in an amount of \$37,851 to support year-round salary and production expenses.

### DISCUSSION:

Summer Solstice will be celebrating its 38<sup>th</sup> year on June 22, 2012. The Fiscal Year 2012 budget adopted by Council on June 21, 2011 includes \$37,851 under Community Promotions for Summer Solstice Celebration, Inc. to plan next year's public arts workshop, the annual Summer Solstice parade, and a festival. This contract will help support year-round salary and production expenses. The term of the contract extends over the period of October 1, 2011 through September 30, 2012.

**PREPARED BY:** Jennifer Hopwood, Executive Assistant

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office



# **CITY OF SANTA BARBARA**

## **COUNCIL AGENDA REPORT**

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Fire Department

**SUBJECT:** Letter Of Support For Santa Maria Air Tanker Base

**RECOMMENDATION:**

That Council authorize the Mayor to send a letter to California state senators and area members of congress supporting the restoration of the Santa Maria Air Tanker Base to full service status.

**DISCUSSION:**

In 2009, the U.S. Forest Service Air Tanker Base in Santa Maria was downgraded from a full service base, to a call when needed base. The closest full service base to our community is now located in Paso Robles, increasing the travel time to our area in the event of a large wildland fire.

Santa Barbara County fire agencies have been unable to persuade U.S. Forest Service officials to reestablish the full service status for Santa Maria Air Tanker Base. This letter of support may assist those efforts.

**ATTACHMENT:** Proposed Letter of Support

**PREPARED BY:** Andrew J. DiMizio, Fire Chief

**SUBMITTED BY:** Andrew J. DiMizio, Fire Chief

**APPROVED BY:** City Administrator's Office

ATTACHMENT  
DRAFT LETTER

August 9, 2011

Senator Dianne Feinstein  
Senator Barbara Boxer  
Congresswoman Lois Capps  
Congressman Elton Gallegly  
Secretary of Agriculture Tom Vilsack

I am respectfully requesting your assistance in the restoration of the Santa Maria Federal Air Tanker Base to its original status of "Full Service". The base's downgrade to a call when needed (CWN) status leaves a very large gap in the safety net of the entire County of Santa Barbara that cannot be repaired with local resources. The threat from wildfire is very real for the City of Santa Barbara. In recent years, the Painted Cave, Zaca, Gap, Tea and Jesusita Fires have caused the loss of hundreds of homes and millions of dollars of value within our community. Wildfire is part of life in Santa Barbara. As such, our City actively and cooperatively works with all the local, state and federal stakeholders to mitigate the impacts and be better prepared for the next event. One of our longest standing and most important partners in this area is the U.S. Forest Service.

The Forest Service Air Tanker Base (ATB), located at Santa Barbara Airport since 1958, was relocated to the Santa Maria Airport in 2007 and operated as a Full Service initial attack and extended attack ATB until 2009. At that time, a unilateral decision by Forest Service officials downgraded the Santa Maria full service air tanker base to a CWN status. Long standing safeguards for Santa Barbara were immediately reduced without any public or stakeholder input. Our community's wildfire protective system involves many interactive elements. One part of the system is the application of fire retardant from aircraft during the initial attack phase of a wildfire. Aerial retardant is a critical firefighting tool which can buy time that allows for evacuation of the public, as well as providing safer access for firefighters in our steep Wildland urban interface area, which borders mostly Federal lands.

Currently, the closest available full service ATB is operated by Cal Fire and located to the north in Paso Robles. The additional distance from Santa Maria adds twenty minutes to the turnaround time for the air tankers which restricts the number of applications possible during allowable flight hours. Our most serious fires have occurred in the late afternoon, or early evening, as a result of infamous down canyon "Sundowner" winds which can create catastrophic conditions within an hour. Minutes lost early on can have devastating results to the homes and lives of our community. The downgrade of the Santa Maria ATB seriously hampered the initial suppression efforts on the 2009 Jesusita Fire. Increased turnaround times made containment efforts futile because air tankers required transit to Porterville, instead of Santa Maria, to reload after dropping retardant during the first burning period. In the end, 80 homes were lost, 8,700 acres of watershed burned, 3 firefighters seriously injured, and millions of dollars spent to control this accidental fire.

Since the Jesusita Fire, all the Fire Chiefs in Santa Barbara County have worked countless hours toward reestablishing full service status for Santa Maria ATB. Unfortunately, many questions have been asked, few answers offered, and little progress has been made towards making this happen.

It is my most sincere hope that clear reasons for this decision be publicly discussed at the highest levels necessary. A co-operative solution must be developed and implemented as soon as possible, before the inevitable happens, once again.

Helene Schneider, Mayor  
City of Santa Barbara



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Fiscal Year 2012 Interim Financial Statements For The One Month Ended July 31, 2011

### **RECOMMENDATION:**

That Council Accept the Fiscal Year 2012 Interim Financial Statements for the One Month Ended July 31, 2011.

### **DISCUSSION:**

The interim financial statements for the one month ended July 31, 2011 (8.3% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the General Fund, Enterprise Funds, Internal Service Funds, and select Special Revenue Funds.

**ATTACHMENT:** Interim Financial Statements for the One Month Ended July 31, 2011

**PREPARED BY:** Ruby Carrillo, Accounting Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>GENERAL FUND</b>					
Revenue	103,109,069	6,527,606	-	96,581,463	6.3%
Expenditures	103,175,483	8,108,045	1,129,143	93,938,296	9.0%
<i>Addition to / (use of) reserves</i>	<u>(66,414)</u>	<u>(1,580,438)</u>	<u>(1,129,143)</u>		
<b>WATER OPERATING FUND</b>					
Revenue	35,671,185	2,404,114	-	33,267,070	6.7%
Expenditures	44,255,456	2,581,374	2,042,286	39,631,796	10.4%
<i>Addition to / (use of) reserves</i>	<u>(8,584,271)</u>	<u>(177,259)</u>	<u>(2,042,286)</u>		
<b>WASTEWATER OPERATING FUND</b>					
Revenue	16,395,810	1,255,773	-	15,140,037	7.7%
Expenditures	17,319,159	922,091	1,505,283	14,891,785	14.0%
<i>Addition to / (use of) reserves</i>	<u>(923,349)</u>	<u>333,682</u>	<u>(1,505,283)</u>		
<b>DOWNTOWN PARKING</b>					
Revenue	7,036,049	640,996	-	6,395,053	9.1%
Expenditures	7,740,887	505,093	193,954	7,041,841	9.0%
<i>Addition to / (use of) reserves</i>	<u>(704,838)</u>	<u>135,904</u>	<u>(193,954)</u>		
<b>AIRPORT OPERATING FUND</b>					
Revenue	14,880,151	1,091,938	-	13,788,213	7.3%
Expenditures	15,289,313	847,884	479,450	13,961,979	8.7%
<i>Addition to / (use of) reserves</i>	<u>(409,162)</u>	<u>244,053</u>	<u>(479,450)</u>		
<b>GOLF COURSE FUND</b>					
Revenue	2,060,146	173,058	-	1,887,088	8.4%
Expenditures	2,061,406	121,914	108,390	1,831,102	11.2%
<i>Addition to / (use of) reserves</i>	<u>(1,260)</u>	<u>51,144</u>	<u>(108,390)</u>		
<b>INTRA-CITY SERVICE FUND</b>					
Revenue	5,502,499	506,591	-	4,995,908	9.2%
Expenditures	5,983,212	383,919	570,867	5,028,425	16.0%
<i>Addition to / (use of) reserves</i>	<u>(480,713)</u>	<u>122,672</u>	<u>(570,867)</u>		

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>FLEET REPLACEMENT FUND</b>					
Revenue	2,230,083	180,222	-	2,049,861	8.1%
Expenditures	3,663,347	215,853	(199,888)	3,647,382	0.4%
Addition to / (use of) reserves	(1,433,264)	(35,631)	199,888		
<b>FLEET MAINTENANCE FUND</b>					
Revenue	2,530,723	205,894	-	2,324,829	8.1%
Expenditures	2,485,283	126,221	355,221	2,003,841	19.4%
Addition to / (use of) reserves	45,440	79,673	(355,221)		
<b>SELF INSURANCE TRUST FUND</b>					
Revenue	5,391,678	432,938	-	4,958,740	8.0%
Expenditures	8,959,711	645,165	263,642	8,050,905	10.1%
Addition to / (use of) reserves	(3,568,033)	(212,227)	(263,642)		
<b>INFORMATION SYSTEMS ICS FUND</b>					
Revenue	2,306,135	192,178	-	2,113,957	8.3%
Expenditures	2,338,963	237,013	74,957	2,026,993	13.3%
Addition to / (use of) reserves	(32,828)	(44,835)	(74,957)		
<b>WATERFRONT FUND</b>					
Revenue	12,203,518	1,196,336	-	11,007,182	9.8%
Expenditures	11,879,484	867,294	888,914	10,123,276	14.8%
Addition to / (use of) reserves	324,034	329,042	(888,914)		
<b>TOTAL FOR ALL FUNDS</b>					
Revenue	209,317,046	14,807,644	-	194,509,402	7.1%
Expenditures	225,151,704	15,561,865	7,412,219	202,177,619	10.2%
Addition to / (use of) reserves	(15,834,658)	(754,221)	(7,412,219)		

**\*\* It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.**



**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Budgeted and Actual Revenues**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Remaining Balance</b>	<b>Percent Received</b>	<b>Previous YTD</b>
<b>TAXES</b>					
Sales and Use	17,949,013	920,100	17,028,913	5.1%	858,393
Property Taxes	23,063,000	-	23,063,000	0.0%	-
Utility Users Tax	7,144,500	609,004	6,535,496	8.5%	584,963
Transient Occupancy Tax	12,865,000	1,264,961	11,600,039	9.8%	1,133,225
Franchise Fees	3,593,200	197,400	3,395,800	5.5%	185,550
Business License	2,229,800	114,225	2,115,575	5.1%	144,162
Real Property Transfer Tax	410,000	35,485	374,515	8.7%	37,011
<i>Total</i>	<u>67,254,513</u>	<u>3,141,175</u>	<u>64,113,338</u>	<u>4.7%</u>	<u>2,943,303</u>
<b>LICENSES &amp; PERMITS</b>					
Licenses & Permits	182,900	19,273	163,627	10.5%	11,275
<i>Total</i>	<u>182,900</u>	<u>19,273</u>	<u>163,627</u>	<u>10.5%</u>	<u>11,275</u>
<b>FINES &amp; FORFEITURES</b>					
Parking Violations	2,403,500	268,946	2,134,555	11.2%	260,129
Library Fines	133,516	9,046	124,470	6.8%	8,944
Municipal Court Fines	180,000	7,199	172,801	4.0%	8,575
Other Fines & Forfeitures	210,000	16,960	193,040	8.1%	17,085
<i>Total</i>	<u>2,927,016</u>	<u>302,151</u>	<u>2,624,866</u>	<u>10.3%</u>	<u>294,733</u>
<b>USE OF MONEY &amp; PROPERTY</b>					
Investment Income	740,827	150,532	590,295	20.3%	74,035
Rents & Concessions	397,952	(12,329)	410,281	-3.1%	33,220
<i>Total</i>	<u>1,138,779</u>	<u>138,203</u>	<u>1,000,576</u>	<u>12.1%</u>	<u>107,256</u>
<b>INTERGOVERNMENTAL</b>					
Grants	488,610	4,099	484,511	0.8%	4,617
Vehicle License Fees	200,000	198,535	1,465	99.3%	70,028
Reimbursements	14,040	1,323	12,717	9.4%	-
<i>Total</i>	<u>702,650</u>	<u>203,957</u>	<u>498,693</u>	<u>29.0%</u>	<u>74,645</u>
<b>FEES &amp; SERVICE CHARGES</b>					
Finance	860,000	-	860,000	0.0%	66,822
Community Development	4,525,570	435,873	4,089,697	9.6%	344,091
Recreation	2,274,257	251,782	2,022,475	11.1%	254,772
Public Safety	499,673	39,723	459,950	7.9%	31,878
Public Works	5,286,083	466,354	4,819,729	8.8%	504,717
Library	675,575	10,822	664,753	1.6%	2,246
Reimbursements	6,227,567	467,238	5,760,329	7.5%	468,796
<i>Total</i>	<u>20,348,725</u>	<u>1,671,792</u>	<u>18,676,933</u>	<u>8.2%</u>	<u>1,673,322</u>
<b>OTHER MISCELLANEOUS REVENUES</b>					
Miscellaneous	1,392,091	391,381	1,000,710	28.1%	404,389
Indirect Allocations	6,111,818	509,318	5,602,500	8.3%	543,376
Operating Transfers-In	3,050,577	150,356	2,900,221	4.9%	92,013
<i>Total</i>	<u>10,554,486</u>	<u>1,051,056</u>	<u>9,503,430</u>	<u>10.0%</u>	<u>1,039,778</u>
<b>TOTAL REVENUES</b>	<u>103,109,069</u>	<u>6,527,606</u>	<u>96,581,463</u>	<u>6.3%</u>	<u>6,144,312</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>GENERAL GOVERNMENT</b>						
<u>Mayor &amp; City Council</u>						
MAYOR	725,196	43,250	1,751	680,195	6.2%	
<i>Total</i>	<u>725,196</u>	<u>43,250</u>	<u>1,751</u>	<u>680,195</u>	6.2%	<u>70,633</u>
<u>City Attorney</u>						
CITY ATTORNEY	1,930,640	147,032	-	1,783,608	7.6%	
<i>Total</i>	<u>1,930,640</u>	<u>147,032</u>	<u>-</u>	<u>1,783,608</u>	7.6%	<u>246,319</u>
<u>Administration</u>						
CITY ADMINISTRATOR	1,468,399	109,444	1,751	1,357,204	7.6%	
CITY TV	436,352	24,530	40,831	370,991	15.0%	
<i>Total</i>	<u>1,904,751</u>	<u>133,974</u>	<u>42,582</u>	<u>1,728,195</u>	9.3%	<u>183,759</u>
<u>Administrative Services</u>						
CITY CLERK	447,245	32,480	22,267	392,498	12.2%	
ADMIN SVCS-ELECTIONS	300,000	605	208,725	90,670	69.8%	
HUMAN RESOURCES	1,197,982	76,542	30,520	1,090,920	8.9%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	14,447	-	-	14,447	0.0%	
<i>Total</i>	<u>1,959,674</u>	<u>109,628</u>	<u>261,512</u>	<u>1,588,535</u>	18.9%	<u>152,572</u>
<u>Finance</u>						
ADMINISTRATION	219,098	13,836	-	205,262	6.3%	
TREASURY	482,061	30,121	-	451,940	6.2%	
CASHIERING & COLLECTION	417,180	33,779	-	383,401	8.1%	
LICENSES & PERMITS	417,558	36,806	-	380,752	8.8%	
BUDGET MANAGEMENT	396,344	28,527	-	367,817	7.2%	
ACCOUNTING	478,913	19,232	-	459,681	4.0%	
PAYROLL	268,474	18,487	-	249,987	6.9%	
ACCOUNTS PAYABLE	207,832	15,265	-	192,567	7.3%	
CITY BILLING & CUSTOMER SERVICE	583,635	19,139	-	564,496	3.3%	
PURCHASING	659,344	51,502	3,661	604,181	8.4%	
CENTRAL STORES	160,010	10,912	500	148,598	7.1%	
MAIL SERVICES	102,301	7,266	500	94,535	7.6%	
<i>Total</i>	<u>4,392,750</u>	<u>284,872</u>	<u>4,661</u>	<u>4,103,218</u>	6.6%	<u>488,150</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>10,913,011</u>	<u>718,756</u>	<u>310,505</u>	<u>9,883,751</u>	9.4%	<u>1,141,432</u>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
CHIEF'S STAFF	979,104	75,304	950	902,850	7.8%	
SUPPORT SERVICES	574,199	41,936	1,788	530,475	7.6%	
RECORDS	1,172,517	85,213	12,555	1,074,750	8.3%	
COMMUNITY SVCS	729,721	51,453	6,705	671,562	8.0%	
PROPERTY ROOM	165,159	11,064	1,392	152,703	7.5%	
TRNG/RECRUITMENT	405,269	44,585	(6,577)	367,262	9.4%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
RANGE	1,184,348	91,802	47,972	1,044,574	11.8%	
BEAT COORDINATORS	784,859	55,350	-	729,509	7.1%	
INFORMATION TECHNOLOGY	1,275,768	270,869	58,859	946,040	25.8%	
INVESTIGATIVE DIVISION	4,582,903	324,629	5,800	4,252,474	7.2%	
CRIME LAB	130,163	9,881	-	120,282	7.6%	
PATROL DIVISION	14,663,551	1,027,534	222,935	13,413,082	8.5%	
TRAFFIC	1,288,412	85,008	1,100	1,202,304	6.7%	
SPECIAL EVENTS	772,599	134,364	(11,890)	650,126	15.9%	
TACTICAL PATROL FORCE	1,324,561	79,544	-	1,245,017	6.0%	
STREET SWEEPING ENFORCEMENT	294,783	21,776	-	273,007	7.4%	
NIGHT LIFE ENFORCEMENT	297,965	20,344	-	277,621	6.8%	
PARKING ENFORCEMENT	931,552	70,294	27,800	833,458	10.5%	
CCC	2,361,140	150,705	236	2,210,199	6.4%	
ANIMAL CONTROL	607,170	19,237	-	587,933	3.2%	
<i>Total</i>	<u>34,525,743</u>	<u>2,670,893</u>	<u>369,624</u>	<u>31,485,226</u>	8.8%	<u>3,734,722</u>
<u>Fire</u>						
ADMINISTRATION	740,779	60,214	6,500	674,065	9.0%	
EMERGENCY SERVICES AND PUBLIC ED	246,838	17,149	-	229,689	6.9%	
PREVENTION	1,109,296	81,483	1,300	1,026,513	7.5%	
WILDLAND FIRE MITIGATION PROGRAM	172,505	11,769	13,150	147,586	14.4%	
OPERATIONS	17,119,140	1,224,737	59,900	15,834,503	7.5%	
ARFF	1,698,433	139,034	-	1,559,399	8.2%	
<i>Total</i>	<u>21,086,991</u>	<u>1,534,386</u>	<u>80,850</u>	<u>19,471,755</u>	7.7%	<u>2,328,045</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>55,612,734</u>	<u>4,205,279</u>	<u>450,474</u>	<u>50,956,981</u>	8.4%	<u>6,062,766</u>
<b>PUBLIC WORKS</b>						
<u>Public Works</u>						
ADMINISTRATION	868,519	57,920	12,513	798,086	8.1%	
ENGINEERING SVCS	4,367,118	301,280	7,007	4,058,832	7.1%	
PUBLIC RT OF WAY MGMT	1,167,214	79,362	3,705	1,084,147	7.1%	
ENVIRONMENTAL PROGRAMS	370,158	15,801	73,153	281,204	24.0%	
<i>Total</i>	<u>6,773,009</u>	<u>454,363</u>	<u>96,377</u>	<u>6,222,269</u>	8.1%	<u>683,137</u>
<b>TOTAL PUBLIC WORKS</b>	<u>6,773,009</u>	<u>454,363</u>	<u>96,377</u>	<u>6,222,269</u>	8.1%	<u>683,137</u>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
PRGM MGMT & BUS SVCS	370,912	39,709	104	331,099	10.7%	
FACILITIES	731,720	48,178	6,681	676,861	7.5%	
YOUTH ACTIVITIES	743,003	95,822	4,855	642,326	13.6%	
SR CITIZENS	717,260	46,660	2,564	668,036	6.9%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>COMMUNITY SERVICES</b>						
<u><b>Parks &amp; Recreation</b></u>						
AQUATICS	1,040,683	179,678	46,463	814,542	21.7%	
SPORTS	423,214	25,901	18,530	378,783	10.5%	
TENNIS	224,714	22,732	-	201,982	10.1%	
NEIGHBORHOOD & OUTREACH SERV	980,833	136,266	6,254	838,313	14.5%	
ADMINISTRATION	522,889	39,365	-	483,524	7.5%	
PROJECT MANAGEMENT TEAM	222,476	18,088	-	204,388	8.1%	
BUSINESS SERVICES	299,201	13,187	900	285,114	4.7%	
FACILITY & PROJECT MGT	956,950	201,726	2,000	753,224	21.3%	
GROUND MANAGEMENT	4,119,025	268,013	74,347	3,776,665	8.3%	
FORESTRY	1,160,228	82,719	(32)	1,077,541	7.1%	
BEACH MAINTENANCE	146,160	6,693	16,710	122,757	16.0%	
<i>Total</i>	<u>12,659,268</u>	<u>1,231,427</u>	<u>179,481</u>	<u>11,248,360</u>	11.1%	<u>1,477,545</u>
<u><b>Library</b></u>						
ADMINISTRATION	420,294	26,773	-	393,521	6.4%	
PUBLIC SERVICES	1,822,641	130,166	-	1,692,475	7.1%	
SUPPORT SERVICES	1,687,541	99,756	5,400	1,582,385	6.2%	
<i>Total</i>	<u>3,930,476</u>	<u>256,695</u>	<u>5,400</u>	<u>3,668,381</u>	6.7%	<u>357,269</u>
<b>TOTAL COMMUNITY SERVICES</b>	<u>16,589,744</u>	<u>1,488,122</u>	<u>184,881</u>	<u>14,916,741</u>	10.1%	<u>1,834,814</u>
<b>COMMUNITY DEVELOPMENT</b>						
<u><b>Community Development</b></u>						
ADMINISTRATION	456,182	54,351	1,309	400,522	12.2%	
ECON DEV	52,667	3,104	-	49,563	5.9%	
CITY ARTS ADVISORY PROGRAM	427,260	-	-	427,260	0.0%	
HUMAN SVCS	855,862	4,642	-	851,220	0.5%	
RDA	715,653	45,962	-	669,691	6.4%	
RDA HSG DEV	611,074	45,577	-	565,497	7.5%	
LR PLANNING/STUDIES	778,182	52,695	729	724,758	6.9%	
DEV & DESIGN REVIEW	1,065,206	80,823	12,425	971,958	8.8%	
ZONING	1,245,146	83,097	5,165	1,156,884	7.1%	
DESIGN REV & HIST PRESERVATN	973,897	72,465	5,307	896,125	8.0%	
BLDG PERMITS	1,041,921	76,900	720	964,301	7.4%	
RECORDS & ARCHIVES	524,969	34,835	9,045	481,089	8.4%	
PLAN CK & COUNTER SRV	1,271,905	88,267	52,205	1,131,433	11.0%	
<i>Total</i>	<u>10,019,924</u>	<u>642,968</u>	<u>86,905</u>	<u>9,290,051</u>	7.3%	<u>951,385</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>10,019,924</u>	<u>642,968</u>	<u>86,905</u>	<u>9,290,051</u>	7.3%	<u>951,385</u>
<b>NON-DEPARTMENTAL</b>						
<u><b>Non-Departmental</b></u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	-	-	22,272	0.0%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>NON-DEPARTMENTAL</b>						
<u>Non-Departmental</u>						
COMMUNITY PROMOTIONS	1,536,799	482,532	-	1,054,267	31.4%	
SPECIAL PROJECTS	381,073	69,150	-	311,923	18.1%	
TRANSFERS OUT	43,500	3,625	-	39,875	8.3%	
DEBT SERVICE TRANSFERS	349,983	-	-	349,983	0.0%	
CAPITAL OUTLAY TRANSFER	519,005	43,250	-	475,755	8.3%	
APPROP. RESERVE	414,429	-	-	414,429	0.0%	
<i>Total</i>	<u>3,267,061</u>	<u>598,557</u>	<u>-</u>	<u>2,668,504</u>	18.3%	<u>483,873</u>
<b>TOTAL NON-DEPARTMENTAL</b>	<u>3,267,061</u>	<u>598,557</u>	<u>-</u>	<u>2,668,504</u>	18.3%	<u>483,873</u>
 <b>TOTAL EXPENDITURES</b>	 <u>103,175,483</u>	 <u>8,108,045</u>	 <u>1,129,143</u>	 <u>93,938,296</u>	 9.0%	 <u>11,157,408</u>

*\*\* The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

*For Enterprise and Internal Service Funds, the legal level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.*

**CITY OF SANTA BARBARA**  
**Special Revenue Funds**  
**Interim Statement of Revenues and Expenditures**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>TRAFFIC SAFETY FUND</b>					
Revenue	515,000	36,141	-	478,859	7.0%
Expenditures	515,000	36,141	-	478,859	7.0%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>CREEK RESTORATION/WATER QUALITY IMPRVMT</b>					
Revenue	2,800,800	269,815	-	2,530,985	9.6%
Expenditures	3,442,236	190,779	412,405	2,839,052	17.5%
<i>Revenue Less Expenditures</i>	<u>(641,436)</u>	<u>79,035</u>	<u>(412,405)</u>	<u>(308,066)</u>	
<b>SOLID WASTE PROGRAM</b>					
Revenue	18,331,232	1,659,546	-	16,671,686	9.1%
Expenditures	18,767,326	1,401,518	10,398	17,355,409	7.5%
<i>Revenue Less Expenditures</i>	<u>(436,094)</u>	<u>258,028</u>	<u>(10,398)</u>	<u>(683,723)</u>	
<b>COMM.DEVELOPMENT BLOCK GRANT</b>					
Revenue	1,296,033	73,924	-	1,222,109	5.7%
Expenditures	2,070,791	20,306	-	2,050,485	1.0%
<i>Revenue Less Expenditures</i>	<u>(774,758)</u>	<u>53,618</u>	<u>-</u>	<u>(828,376)</u>	
<b>COUNTY LIBRARY</b>					
Revenue	1,858,999	28,787	-	1,830,212	1.5%
Expenditures	1,911,276	116,186	19,992	1,775,098	7.1%
<i>Revenue Less Expenditures</i>	<u>(52,277)</u>	<u>(87,399)</u>	<u>(19,992)</u>	<u>55,114</u>	
<b>STREETS FUND</b>					
Revenue	10,393,577	673,132	-	9,720,446	6.5%
Expenditures	11,963,741	519,110	120,673	11,323,958	5.3%
<i>Revenue Less Expenditures</i>	<u>(1,570,164)</u>	<u>154,022</u>	<u>(120,673)</u>	<u>(1,603,513)</u>	
<b>MEASURE A</b>					
Revenue	2,774,034	192,596	-	2,581,438	6.9%
Expenditures	2,877,223	83,194	104,113	2,689,915	6.5%
<i>Revenue Less Expenditures</i>	<u>(103,189)</u>	<u>109,402</u>	<u>(104,113)</u>	<u>(108,478)</u>	

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**WATER OPERATING FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Water Sales - Metered	30,700,000	2,237,831	-	28,462,169	7.3%	2,735,804
Service Charges	450,192	64,029	-	386,163	14.2%	47,444
Cater JPA Treatment Charges	2,619,000	-	-	2,619,000	0.0%	-
Investment Income	791,800	57,764	-	734,036	7.3%	78,553
Miscellaneous	604,691	2,365	-	602,326	0.4%	1,039
Operating Transfers-In	505,502	42,125	-	463,377	8.3%	-
<b>TOTAL REVENUES</b>	<b>35,671,185</b>	<b>2,404,114</b>	<b>-</b>	<b>33,267,070</b>	<b>6.7%</b>	<b>2,862,840</b>
<b>EXPENSES</b>						
Salaries & Benefits	7,649,148	522,281	-	7,126,867	6.8%	779,884
Materials, Supplies & Services	9,644,197	337,676	2,046,279	7,260,242	24.7%	407,014
Special Projects	2,969,357	37,215	(26,785)	2,958,927	0.4%	12,696
Water Purchases	7,341,775	641,248	-	6,700,527	8.7%	369,829
Debt Service	4,831,189	95,354	-	4,735,835	2.0%	95,354
Capital Outlay Transfers	11,284,416	940,368	-	10,344,048	8.3%	279,142
Equipment	159,400	600	-	158,800	0.4%	1,356
Capitalized Fixed Assets	180,974	6,632	22,793	151,550	16.3%	-
Other	45,000	-	-	45,000	0.0%	-
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>44,255,456</b>	<b>2,581,374</b>	<b>2,042,286</b>	<b>39,631,796</b>	<b>10.4%</b>	<b>1,945,275</b>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**WASTEWATER OPERATING FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service Charges	14,926,192	1,165,980	-	13,760,212	7.8%	1,205,494
Fees	493,222	8,236	-	484,986	1.7%	-
Investment Income	267,300	18,837	-	248,463	7.0%	27,167
Public Works	10,000	3,158	-	6,842	31.6%	2,552
Miscellaneous	25,000	3,388	-	21,612	13.6%	2,341
Operating Transfers-In	674,096	56,175	-	617,921	8.3%	-
<b>TOTAL REVENUES</b>	<b>16,395,810</b>	<b>1,255,773</b>	<b>-</b>	<b>15,140,037</b>	<b>7.7%</b>	<b>1,237,554</b>
<b>EXPENSES</b>						
Salaries & Benefits	5,148,257	345,530	-	4,802,727	6.7%	527,271
Materials, Supplies & Services	5,781,398	189,747	1,502,283	4,089,368	29.3%	186,670
Special Projects	127,443	4,101	-	123,342	3.2%	62,301
Debt Service	1,352,213	-	-	1,352,213	0.0%	-
Capital Outlay Transfers	4,592,559	382,713	-	4,209,846	8.3%	524,625
Equipment	110,000	-	-	110,000	0.0%	-
Capitalized Fixed Assets	57,289	-	3,000	54,289	5.2%	221
Appropriated Reserve	150,000	-	-	150,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>17,319,159</b>	<b>922,091</b>	<b>1,505,283</b>	<b>14,891,785</b>	<b>14.0%</b>	<b>1,301,087</b>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.



**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**  
**DOWNTOWN PARKING**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Improvement Tax	840,000	170,651	-	669,349	20.3%	139,424
Parking Fees	5,662,166	430,592	-	5,231,574	7.6%	403,917
Investment Income	137,600	9,910	-	127,690	7.2%	14,740
Rents & Concessions	40,925	-	-	40,925	0.0%	-
Reimbursements	-	-	-	-	100.0%	2,361
Miscellaneous	1,500	355	-	1,145	23.7%	549
Operating Transfers-In	353,858	29,488	-	324,370	8.3%	3,625
<b>TOTAL REVENUES</b>	<b>7,036,049</b>	<b>640,996</b>	<b>-</b>	<b>6,395,053</b>	<b>9.1%</b>	<b>564,617</b>
<b>EXPENSES</b>						
Salaries & Benefits	3,799,707	278,141	-	3,521,566	7.3%	409,642
Materials, Supplies & Services	1,835,558	115,252	223,972	1,496,334	18.5%	95,218
Special Projects	740,231	-	(36,418)	776,649	-4.9%	-
Transfers-Out	297,121	24,760	-	272,361	8.3%	23,468
Capital Outlay Transfers	1,043,270	86,939	-	956,331	8.3%	55,000
Equipment	25,000	-	6,400	18,600	25.6%	-
<b>TOTAL EXPENSES</b>	<b>7,740,887</b>	<b>505,093</b>	<b>193,954</b>	<b>7,041,841</b>	<b>9.0%</b>	<b>583,328</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**  
**AIRPORT OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial / Industrial	4,171,000	347,053	-	3,823,947	8.3%	339,395
Leases - Terminal	5,183,033	382,609	-	4,800,424	7.4%	413,967
Leases - Non-Commerical Aviation	1,361,600	123,914	-	1,237,686	9.1%	105,674
Leases - Commerical Aviation	3,465,000	193,667	-	3,271,333	5.6%	188,406
Investment Income	214,300	16,050	-	198,250	7.5%	23,535
Miscellaneous	185,052	3,631	-	181,421	2.0%	1,708
Operating Transfers-In	300,166	25,014	-	275,152	8.3%	-
<b>TOTAL REVENUES</b>	<u>14,880,151</u>	<u>1,091,938</u>	<u>-</u>	<u>13,788,213</u>	<u>7.3%</u>	<u>1,072,686</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,001,631	359,631	-	4,642,000	7.2%	515,143
Materials, Supplies & Services	6,438,600	372,303	476,901	5,589,396	13.2%	347,148
Special Projects	973,173	-	-	973,173	0.0%	-
Transfers-Out	44,212	3,684	-	40,528	8.3%	-
Debt Service	1,113,099	-	-	1,113,099	0.0%	-
Capital Outlay Transfers	1,347,188	112,266	-	1,234,922	8.3%	45,833
Equipment	129,276	-	2,549	126,727	2.0%	-
Appropriated Reserve	242,134	-	-	242,134	0.0%	-
<b>TOTAL EXPENSES</b>	<u>15,289,313</u>	<u>847,884</u>	<u>479,450</u>	<u>13,961,979</u>	<u>8.7%</u>	<u>908,124</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**GOLF COURSE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Fees & Card Sales	1,640,801	137,175	-	1,503,626	8.4%	151,963
Investment Income	9,900	879	-	9,021	8.9%	1,702
Rents & Concessions	302,322	26,319	-	276,003	8.7%	25,452
Miscellaneous	3,500	50	-	3,450	1.4%	(87)
Operating Transfers-In	103,623	8,635	-	94,988	8.3%	-
<b>TOTAL REVENUES</b>	<b>2,060,146</b>	<b>173,058</b>	<b>-</b>	<b>1,887,088</b>	<b>8.4%</b>	<b>179,030</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,111,449	80,628	-	1,030,821	7.3%	120,111
Materials, Supplies & Services	548,492	33,617	109,590	405,285	26.1%	31,320
Special Projects	6,260	-	(1,200)	7,460	-19.2%	-
Debt Service	230,294	-	-	230,294	0.0%	-
Capital Outlay Transfers	92,036	7,670	-	84,366	8.3%	-
Equipment	27,500	-	-	27,500	0.0%	-
Appropriated Reserve	45,375	-	-	45,375	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,061,406</b>	<b>121,914</b>	<b>108,390</b>	<b>1,831,102</b>	<b>11.2%</b>	<b>151,430</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**INTRA-CITY SERVICE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service charges	99,584	8,299	-	91,285	8.3%	-
Work Orders - Bldg Maint.	3,035,446	301,004	-	2,734,442	9.9%	234,341
Service Charges	2,032,567	169,381	-	1,863,186	8.3%	145,214
Operating Transfers-In	334,902	27,909	-	306,994	8.3%	-
<b>TOTAL REVENUES</b>	<b>5,502,499</b>	<b>506,591</b>	<b>-</b>	<b>4,995,908</b>	<b>9.2%</b>	<b>379,555</b>
<b>EXPENSES</b>						
Salaries & Benefits	3,107,626	219,747	-	2,887,879	7.1%	310,519
Materials, Supplies & Services	1,104,526	66,260	239,526	798,739	27.7%	65,398
Special Projects	1,602,757	96,332	329,641	1,176,784	26.6%	26,413
Equipment	15,000	-	-	15,000	0.0%	-
Capitalized Fixed Assets	153,303	1,581	1,700	150,022	2.1%	-
<b>TOTAL EXPENSES</b>	<b>5,983,212</b>	<b>383,919</b>	<b>570,867</b>	<b>5,028,425</b>	<b>16.0%</b>	<b>402,330</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**FLEET REPLACEMENT FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Vehicle Rental Charges	1,805,982	150,499	-	1,655,484	8.3%	149,286
Investment Income	149,700	11,023	-	138,677	7.4%	15,938
Rents & Concessions	224,401	18,700	-	205,701	8.3%	19,362
Miscellaneous	50,000	-	-	50,000	0.0%	-
<b>TOTAL REVENUES</b>	<b>2,230,083</b>	<b>180,222</b>	<b>-</b>	<b>2,049,861</b>	<b>8.1%</b>	<b>184,585</b>
<b>EXPENSES</b>						
Salaries & Benefits	158,537	11,873	-	146,664	7.5%	17,049
Materials, Supplies & Services	2,452	92	-	2,360	3.7%	83
Special Projects	300,000	-	-	300,000	0.0%	-
Capitalized Fixed Assets	3,202,358	203,888	(199,888)	3,198,358	0.1%	195,039
<b>TOTAL EXPENSES</b>	<b>3,663,347</b>	<b>215,853</b>	<b>(199,888)</b>	<b>3,647,382</b>	<b>0.4%</b>	<b>212,171</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**FLEET MAINTENANCE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Vehicle Maintenance Charges	2,371,918	197,660	-	2,174,258	8.3%	197,451
Miscellaneous	60,000	-	-	60,000	0.0%	-
Operating Transfers-In	98,805	8,234	-	90,571	8.3%	-
<b>TOTAL REVENUES</b>	<b>2,530,723</b>	<b>205,894</b>	<b>-</b>	<b>2,324,829</b>	<b>8.1%</b>	<b>197,451</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,147,349	87,017	-	1,060,332	7.6%	126,971
Materials, Supplies & Services	1,226,422	39,081	339,221	848,120	30.8%	79,241
Special Projects	106,512	123	16,000	90,389	15.1%	860
Equipment	5,000	-	-	5,000	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,485,283</b>	<b>126,221</b>	<b>355,221</b>	<b>2,003,841</b>	<b>19.4%</b>	<b>207,073</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**SELF INSURANCE TRUST FUND**

	<b>** Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Insurance Premiums	2,547,084	212,257	-	2,334,827	8.3%	215,313
Workers' Compensation Premiums	2,500,000	208,333	-	2,291,667	8.3%	220,298
OSH Charges	182,894	-	-	182,894	0.0%	-
Investment Income	161,700	12,347	-	149,353	7.6%	18,740
<b>TOTAL REVENUES</b>	<b>5,391,678</b>	<b>432,938</b>	<b>-</b>	<b>4,958,740</b>	<b>8.0%</b>	<b>454,351</b>
<b>EXPENSES</b>						
Salaries & Benefits	500,761	33,690	-	467,071	6.7%	41,677
Materials, Supplies & Services	4,764,622	303,646	263,642	4,197,335	11.9%	564,785
Transfers-Out	3,694,328	307,829	-	3,386,499	8.3%	717,988
<b>TOTAL EXPENSES</b>	<b>8,959,711</b>	<b>645,165</b>	<b>263,642</b>	<b>8,050,905</b>	<b>10.1%</b>	<b>1,324,450</b>

**\*\* The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.**

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**INFORMATION SYSTEMS ICS FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service charges	2,286,395	190,533	-	2,095,862	8.3%	189,965
Operating Transfers-In	19,740	1,645	-	18,095	8.3%	-
<b>TOTAL REVENUES</b>	<b>2,306,135</b>	<b>192,178</b>	<b>-</b>	<b>2,113,957</b>	<b>8.3%</b>	<b>189,965</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,502,407	114,004	-	1,388,403	7.6%	163,753
Materials, Supplies & Services	548,424	122,369	46,186	379,869	30.7%	99,096
Special Projects	3,700	535	3,855	(690)	118.6%	54
Equipment	273,000	104	24,917	247,979	9.2%	-
Appropriated Reserve	11,432	-	-	11,432	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,338,963</b>	<b>237,013</b>	<b>74,957</b>	<b>2,026,993</b>	<b>13.3%</b>	<b>262,902</b>



**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

**WATERFRONT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial	1,332,869	129,969	-	1,202,900	9.8%	120,353
Leases - Food Service	2,352,254	214,945	-	2,137,309	9.1%	219,957
Slip Rental Fees	3,998,521	326,479	-	3,672,042	8.2%	318,528
Visitors Fees	463,000	45,042	-	417,958	9.7%	46,780
Slip Transfer Fees	425,000	73,700	-	351,300	17.3%	39,875
Parking Revenue	1,911,450	272,561	-	1,638,889	14.3%	242,931
Wharf Parking	244,000	27,246	-	216,754	11.2%	24,203
Other Fees & Charges	380,911	28,764	-	352,147	7.6%	30,762
Investment Income	185,859	6,260	-	179,599	3.4%	11,117
Rents & Concessions	301,173	28,281	-	272,892	9.4%	23,815
Miscellaneous	155,000	5,297	-	149,703	3.4%	6,745
Operating Transfers-In	453,481	37,790	-	415,691	8.3%	-
<b>TOTAL REVENUES</b>	<u>12,203,518</u>	<u>1,196,336</u>	<u>-</u>	<u>11,007,182</u>	<u>9.8%</u>	<u>1,085,066</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,461,051	510,934	-	4,950,117	9.4%	618,365
Materials, Supplies & Services	3,340,451	145,133	888,914	2,306,404	31.0%	174,668
Special Projects	149,210	6,418	-	142,792	4.3%	6,240
Debt Service	1,776,789	123,503	-	1,653,286	7.0%	-
Capital Outlay Transfers	934,483	77,874	-	856,609	8.3%	80,780
Equipment	117,500	3,432	-	114,068	2.9%	2,170
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>11,879,484</u>	<u>867,294</u>	<u>888,914</u>	<u>10,123,276</u>	<u>14.8%</u>	<u>882,223</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE COUNCIL OF THE CITY OF  
SANTA BARBARA AMENDING CHAPTER 10.60 OF THE  
MUNICIPAL CODE BY REVISING SECTION 10.60.030,  
ESTABLISHING BAY VIEW CIRCLE AS A COUNTER-  
CLOCKWISE ONE-WAY STREET

THE COUNCIL OF THE CITY OF SANTA BARBARA DOES ORDAIN AS FOLLOWS:

**SECTION ONE.** Section 10.60.30 of Chapter 10.60 of Title 10 of the Santa Barbara Municipal Code is amended to read as follows:

**10.60.30 Schedule of One-way Streets**

In accordance with Section 10.60.030, and when properly sign posted, it shall be unlawful for the operator of any vehicle to drive in the direction indicated below on the following streets or portions of streets:

1. **Unnamed alley** lying between Anacapa Street and State Street extending from the Lobero Garage Paseo to Carrillo Street: In a southeasterly direction on the unnamed alley lying between Anacapa Street and State Street from the Lobero Garage Paseo to Carrillo Street.

2. **Unnamed alley** lying between Robbins Street and Mountain Avenue adjacent to Harding School: In a northeasterly direction on the unnamed alley lying between Robbins Street and Mountain Avenue adjacent to Harding School.

3. **ALAMEDA PADRE SERRA:** In a westerly direction on the south side of Alameda Padre Serra or in an easterly direction on the north side of Alameda Padre Serra, where the roadway of Alameda Padre Serra is divided by a parkway in the central portion thereof; provided that vehicles traveling in an easterly direction on Alameda Padre Serra may drive to the north side of the dividing wall located between Dover Road and Arbolado Road for the purpose of entering Arbolado Road.

4. **ANACAPA STREET:** In a northwesterly direction on Anacapa Street between Gutierrez Street and Mission Street.

5. **BATH STREET:** In a southeasterly direction on Bath Street between Haley Street and Mission Street.

6. **BAY VIEW CIRCLE:** In a clockwise direction for its entirety.

7. **CASTILLO STREET:** In a northwesterly direction on Castillo Street between Cota Street and Mission Street.

8. **CHAPALA STREET:** In a southeasterly direction on Chapala Street between Alamar Avenue and Carrillo Street.

9. **CLEVELAND AVENUE:** In a southerly direction on the east side of Cleveland Avenue or in a northerly direction on the west side of Cleveland Avenue in either the nineteen hundred (1900) or two thousand (2000) blocks thereof.

10. **CORONEL STREET:** In a northeasterly direction on Coronel Street from a point one hundred feet northeasterly of the intersection of Coronel Street and Loma Alta Drive to a point 630 feet northeasterly of the intersection of Coronel Street and Loma Alta Drive.

11. **DE LA GUERRA PLAZA:** In a direction other than entry into De La Guerra Plaza via the street on the southwesterly side of De La Guerra Plaza, proceeding in a southeasterly direction along that street on the southwesterly side of De La Guerra Plaza and continuing in a northwesterly direction only along the street on the northeasterly side of De La Guerra Plaza.

12. **DE LA VINA STREET:** In a northwesterly direction on De La Vina Street between Haley Street and Constance Avenue.

13. **EMERSON AVENUE:** In a southerly direction on the east side of Emerson Avenue or in a northerly direction on the west side of Emerson Avenue in either the nineteen hundred (1900) or two thousand (2000) blocks thereof.

14. **EQUESTRIAN AVENUE:** In an easterly direction on Equestrian Avenue between Santa Barbara and Garden Streets.

15. **GRAND AVENUE:** In a westerly direction on the south side of Grand Avenue or in an easterly direction on the north side of Grand Avenue between Pedregosa Street and Moreno Road where the roadway of Grand Avenue is divided into two (2) levels.

16. **PROSPECT AVENUE:** In an easterly direction on Prospect Avenue between Valerio Street and Cleveland Avenue.

17. **SANTA BARBARA STREET:** In a southeasterly direction on Santa Barbara Street between Haley Street and Mission Street.

18. **STATE STREET:** In a northwesterly direction on the southwesterly side of State Street or in a southeasterly direction on the northeasterly side of State Street between Mission Street and Constance Avenue where the roadway of State Street is divided by a central parkway.



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction For The Lower West Downtown Street Lighting Project, Phase 1

**RECOMMENDATION:** That Council:

- A. Award a contract with Taft Electric Company in their low bid amount of \$274,159.56 for construction of the Lower West Downtown Lighting Project, Phase 1, Bid No. 3617; and
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$27,500 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment.

### DISCUSSION:

#### PROJECT DESCRIPTION

The Lower West Downtown Street Lighting Project, Phase 1 (Project), developed as part of the Neighborhood Improvement Program, is the result of City initiatives to add more pedestrian and street lighting to the Lower West Downtown areas bound by the 101 Freeway, Ortega Street on the north, and Chapala Street on the east (see attached map). The preliminary and final Project design costs were funded with Community Development Block Grant funds, with the capital improvements funded by the Redevelopment Agency (Agency).

On June 21, 2011, the Agency Board and Council approved a Cooperation Agreement between the Agency and the City providing that the City will complete the project on behalf of the Agency and the Agency will, in return, provide the project funding.

On June 21, 2011, the Council adopted Resolution No. 11-044 making the findings of fact required under Health and Safety Code Section 33445 to allow use of redevelopment tax increment funds for the project.

The project consists of installing 63 street lighting fixtures as well as installing underground conduit, electrical circuits, and related components. The project utilizes

underground directional boring, which minimizes open trenches, and reduces the impact on local residents. Construction will begin in October 2011 and will take approximately five months to complete. The Council has approved and authorized the General Services Manager to issue Sole Source Purchase Orders to Ameron Pole Products for the purchase of City-standard streetlight poles, and to Prudential Lighting Products for light fixtures for the Project.

#### CONTRACT BIDS

A total of three bids were received for the subject work, ranging as follows:

<b>BIDDER</b>	<b>BID AMOUNT</b>
1. Taft Electric Company Ventura, CA	\$274,159.56
2. PTM General Engineering Services, Inc. Riverside, CA	\$288,088.00
3. Lee Wilson Electric Company, Inc. Arroyo Grande, CA	\$471,315.00

The low bid of \$274,159.56, submitted by Taft Electric Company, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$27,500, or 10%, is typical for this type of work and size of project.

#### CONSTRUCTION PHASE CONTRACT SERVICES

As part of this Project, the Public Works Director will also execute a professional services contract with Smith Engineering in the amount of \$10,000 for design support services during construction. Smith Engineering has performed the design for this Project and needs to be available to provide services during construction.

#### COMMUNITY OUTREACH

Public Works will work closely with the neighbors of the Lower West Downtown area during construction. All residents and businesses in the area will be notified in September regarding the forthcoming construction schedule. Through communications with citizen advocates and the Neighborhood Advisory Council, Public Works will ensure the information about the design and construction is easily available to all members of the public.

The following summarizes all Project design costs, construction contract funding, and other Project costs:

### ESTIMATED TOTAL PROJECT COST

\*Cents have been rounded to the nearest dollar in this table.

Design Contract	\$25,000
City Staff Costs – Design	\$8,500
<b>Subtotal</b>	<b>\$33,500</b>
Construction Contract	\$274,160
Construction Change Order Allowance	\$27,500
<b>Subtotal</b>	<b>\$301,660</b>
Other Construction Costs (design support)	\$10,000
City Staff Costs – Inspection and Construction Management	\$91,000
<b>Subtotal</b>	<b>\$101,000</b>
Material Acquisition	<b>\$288,372</b>
<b>TOTAL PROJECT COST</b>	<b>\$724,532</b>

There are sufficient appropriated funds in the Agency Capital Program budget to cover the cost of this Project.

### SUSTAINABILITY IMPACT:

The light fixtures proposed for the Project utilize the latest Light Emitting Diode (LED) technology. This will produce energy savings of up to 44% over conventional light fixtures. LED lights prevent glare and minimize light trespass and operate three times as long as conventional lights.

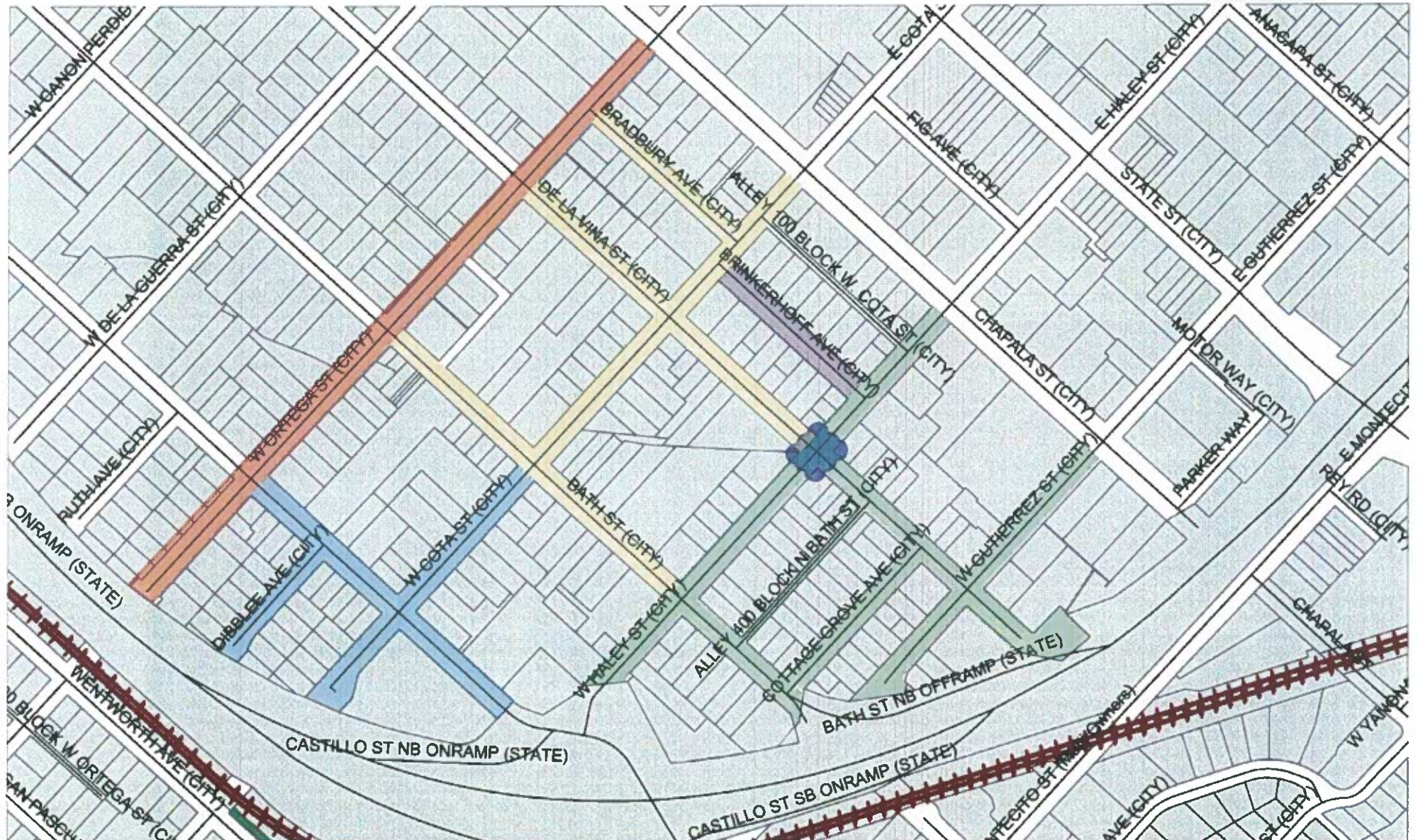
**ATTACHMENT(S):** Map of Lower West Downtown with Improvement Project

**PREPARED BY:** John Ewasiuk, Principal Civil Engineer/MK/mj

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office





- Lower West Downtown Lighting Project Phase 1  
- Construction Fall 2011 to Winter 2012
- Lower West Downtown Lighting Project Phase 2  
- In Design/Funding Process
- Lower West Downtown Lighting Project Phase 3  
- In Design/Funding Process

- Ortega Pedestrian Improvements Project - Complete
  - Brinkerhoff Ave. Street Lighting Project - Complete
  - Haley St. Bridge Replacement Project - Complete
- Dated: July 21, 2011





# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Construction Of The Headworks Screening Replacement Project At El Estero Wastewater Treatment Plant

**RECOMMENDATION:** That Council:

- A. Award a contract with Stanek Constructors, Inc., in their low bid amount of \$3,910,000 for construction of the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant, Bid No. 3570;
- B. Authorize the Public Works Director to execute the contract and approve expenditures up to \$391,000 to cover any cost increases that may result from contract change orders for extra work and differences between estimated bid quantities and actual quantities measured for payment;
- C. Authorize the Public Works Director to execute a contract with Carollo Engineering in the amount of \$200,000 for construction support services, and approve expenditures of up to \$20,000 for extra services of Carollo Engineering that may result from necessary changes in the scope of work;
- D. Authorize the Public Works Director to execute a contract with Mimiaga Engineering Group in the amount of \$380,240 for construction management services, and approve expenditures of up to \$38,025 for extra services of Mimiaga Engineering Group that may result from necessary changes in the scope of work;
- E. Accept a loan in the amount of \$5,200,000 from the Clean Water State Revolving Fund for the Headworks Screening Replacement Project at El Estero Wastewater Treatment Plant; and
- F. Increase Wastewater Capital Fund appropriations and estimated revenues by \$5,200,000.

### EXECUTIVE SUMMARY:

The City received eight bids for the Headworks Screening Replacement Project (Project) at the El Estero Wastewater Treatment Plant (El Estero) and the lowest bidder was Stanek Constructors, Inc. (Stanek). Staff recommends that Council authorize the Public Works Director to accept the low bid and enter into a contract with Stanek. Staff recommends that Council authorize the Public Works Director to enter into a contract with Carollo



Engineers (Carollo) and Mimiaga Engineering Group (MEG) for services during construction. Staff also recommends that Council accept the Clean Water State Revolving Fund loan and increase the Wastewater Capital Fund appropriations by \$5,200,000.

## **DISCUSSION:**

### **PROJECT DESCRIPTION**

Wastewater from homes and businesses in the City enters El Estero at the existing Headworks facility where screening removes large solids, rags and debris. Removal of large and/or non-soluble waste at this facility is important to the overall wastewater treatment. Solids passing into the wastewater treatment process delay time to decompose solids in the overall waste stream and could cause damage to the downstream wastewater treatment processes.

The existing Headworks screening system has reached the end of its useful life and needs replacement. Additionally, the existing screening system does not adequately process the influent flow, resulting in solids passing into the treatment process. Further, this process is not automated and relies on plant operators to convey solids from the screening area (three stories below ground) to the disposal area on the surface.

The Project consists of replacing the existing screening system, washer-compactor, monorail, sluice gates and motor control center, and includes the installation of a new crane to facilitate maintenance, a conveyance system to transport screenings to the washer-compactor, and integration of controls for the new equipment into the existing Treatment Plant control system.

Due to design challenges associated with an existing building with limited space, only one equipment manufacturer could be found that met the minimum qualification requirements for the mechanical bar screens. Staff challenged the design engineer to explore alternative options and equipment, but after an exhaustive search and numerous field visits to similar installations, staff was convinced there is no known equivalent alternative for mechanical bar screens. The Contract Documents specify the particular manufacturer of the screens that must be utilized or, in the alternative, a bidder may request City approval of an "or equal" product. One manufacture requested City approval of their product for use as an "or equal" product. The City's Engineers conducted an in-depth analysis of the proposed alternative product and determined that for several reasons the proposed "or equal" did not meet the minimum qualifications required for the mechanical bar screen. The manufacture of the proposed "or equal" product was informed of the City Engineer's determination by written correspondence dated August 1, 2011.

Additionally, only one equipment manufacturer could be found that met the minimum qualification requirements of the mechanical agitation for the washer/compactors. Staff challenged the design engineer to explore alternative options for the washer-compactor, but the quality of the final product approved for disposal was a key driver in the

selection. The Contract Documents specify the particular manufacturer of the washer/compactor that must be utilized or, in the alternative, a bidder may request City approval of an "or equal" product. One manufacture requested City approval of their product for use as an "or equal" product. The City's Engineers conducted an in-depth analysis of the proposed alternative product and determined that the technology used for the "or equal" product was "fundamentally different from the specified equipment" and for this reason rejected the "or equal" submission. City staff informed the manufacturer of the City's determination to reject the "or equal" submission by letter dated August 1, 2011.

No bid protests have been received.

#### CONTRACT BIDS

A total of eight bids were received for the subject work, ranging as follows:

	<b>BIDDER</b>	<b>BID AMOUNT</b>
1.	Stanek Constructors, Inc. Escondido, CA	\$3,910,000
2.	Lash Construction, Inc. Santa Barbara, CA	\$3,917,400
3.	C.W. Roen Construction Danville, CA	\$4,113,000
4.	PCL Construction, Inc. San Marcos, CA	\$4,151,258
5.	GSE Construction Co. Livermore, CA	\$4,176,000
6.	Cushman Contracting Corp Santa Barbara, CA	\$4,180,000
7.	Gantry Constructors, Inc. Clarkdale, AZ	\$4,215,000*
8.	W.M. Lyles, Co. Bakersfield, CA	\$4,329,000

\*corrected bid total

The low bid of \$3,910,000, submitted by Stanek, is an acceptable bid that is responsive to and meets the requirements of the bid specifications.

The change order funding recommendation of \$391,000, or 10%, is typical for this type of work and size of project.

#### CONSTRUCTION PHASE CONTRACT SERVICES

Staff recommends that Council authorize the Public Works Director to execute a contract with Carollo in the amount of \$200,000 for design support services, and approve expenditures of up to \$20,000 for extra services that may result from necessary changes in the scope of work. The extra services funding recommendation of 10% is typical for this scope of work. Carollo designed the Project and is experienced in this type of work.

Staff recommends that Council authorize the Public Works Director to execute a contract with MEG in the amount of \$380,240 for construction management services with \$38,025 of extra services. The extra services funding recommendation of 10% is typical for this scope of work. MEG was selected to provide this service by a Request for Proposal process. MEG participated in construction management service for previous El Estero projects and is experienced in this type of work.

#### FUNDING

On March 17, 2009, City Council adopted Resolution No. 09-013, authorizing the City Administrator to submit a Financial Assistance Grant Application for the Headworks Project. Staff was later notified that the project was not selected for Federal Stimulus Bill funds; however, the City was provided an opportunity to convert the Project applications to the Clean Water State Revolving Fund loan. On July 28, 2011, the City received the executed funding agreement for a 20-year loan in the amount of \$5,200,000 at an interest rate of 2.6% from the State Water Resources Control Board, which will be appropriated to fund the Project.

The following summarizes the expenditures recommended in this report:

#### CONSTRUCTION CONTRACT FUNDING SUMMARY

	Basic Contract	Change Funds	Total
Stanek	\$3,910,000	\$391,000	\$4,301,000
Carollo	\$200,000	\$20,000	\$220,000
MEG	\$380,240	\$38,025	\$418,265
<b>TOTAL RECOMMENDED AUTHORIZATION</b>			<b>\$4,939,265</b>

The following summarizes all Project design costs, construction contract funding, and other Project costs:

### ESTIMATED TOTAL PROJECT COST

*\*Cents have been rounded to the nearest dollar in this table.*

Design (by Contract)	\$436,494
City Staff Costs	\$125,000
<b>Subtotal</b>	<b>\$561,494</b>
Construction Contract	\$3,910,000
Construction Change Order Allowance	\$391,000
Construction Management/Inspection (by Contract)	\$418,265
Design Support during Construction (by Contract)	\$220,000
<b>Subtotal</b>	<b>\$4,939,265</b>
Construction Administration (by City Staff)	\$91,157
<b>Subtotal</b>	<b>\$91,157</b>
<b>TOTAL PROJECT COST</b>	<b>\$5,591,916</b>

Design costs have already been incurred. State loan funds will be used primarily to cover the construction related costs of the project.

### SUSTAINABILITY IMPACT:

Removal of solids through the screening process increases overall wastewater treatment process effectiveness.

**PREPARED BY:** Joshua Haggmark, Principal Civil Engineer/LA/sk

**SUBMITTED BY:** Christine F. Andersen, Public Works Director

**APPROVED BY:** City Administrator's Office



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Finance Department

**SUBJECT:** Response To Grand Jury Report On Post Employment Benefits In Santa Barbara County

**RECOMMENDATION:** That Council:

- A. Consider and adopt responses as the City Council responses to the Grand Jury report entitled, "Local Government Post Employment Benefits in Santa Barbara County - Complicated and Costly"; and
- B. Approve and authorize the City Administrator to execute a letter forwarding the responses to the Assistant Presiding Judge.

### DISCUSSION:

In June 2011, the Santa Barbara Grand Jury issued its report entitled "Local Government Post Employment Benefits in Santa Barbara County – Complicated and Costly." The report includes a compilation of various post employment benefits provided by the County of Santa Barbara, cities, special districts and school districts. Post-employment benefits payable upon retirement include defined benefit pensions, health care payments, and miscellaneous benefits such as accrued sick leave and other accrued compensated absences. The report indicates that it is intended as an in-depth study of the future obligations of government agencies within Santa Barbara County.

While most of these post-employment benefits have been in place for decades, they have received nationwide attention in the last several years, particularly defined benefit pension plans. As a result of the recent recession, defined benefit pension plans administered by the California Public Employee Retirement System (CalPERS), the California State Teachers Retirement System (CalSTRS) and the Santa Barbara County Employees Retirement System (SBCERS) sustained significant investment losses, increasing or creating significant unfunded liabilities in these plans. In addition, a movement in private sector financial reporting to disclose post-employment health care benefits has led to similar reporting and disclosure requirements in the public sector, which has raised the local awareness of the magnitude of these financial commitments by state and local governments.

A summary of the issues identified in the Grand Jury report is provided below.

### **Status of Unfunded Pension Liabilities**

One of the issues raised by the Grand Jury report is that certain agencies within the County of Santa Barbara do not know the extent of their unfunded liabilities for the defined benefit pension plans they offer. This may be true of smaller cities and special districts because they are part of retirement pools offered by CalPERS, SBCERS or CalSTRS whereby the assets and liabilities of the plan are shared among several smaller agencies. Retirement pools are designed to spread the risk and operational costs of the plan over several agencies. In these cases, the individual agencies are not provided with actuarial information for their share of the plans assets, accrued liabilities or unfunded liabilities.

However, larger public agencies that participate in PERS, such as the City of Santa Barbara, maintain individual plans and thus know precisely the funding status of their plans. Therefore, while the issue raised by the grand Jury may be valid, it does not apply to the City of Santa Barbara.

### **Other Post-Employment Benefits**

Another issue raised in the report relates to other post-employment benefits not including defined benefit retirement plans. The report indicates that the majority of these other benefits, which primarily relate to healthcare, are on a “pay-as-you-go” basis, which means there is no advanced funding for these payments while the employee is employed by the agency.

It is indeed true that, historically, these benefits have not been advanced funded like defined benefit pensions. Several years ago, new governmental accounting and financial reporting standards were implemented by federal regulation requiring governments to calculate the total liabilities associated with these post-employment obligations, using actuarial methods, in order to increase the level of understanding of these previously undisclosed and unknown liabilities. The new accounting and financial reporting standards did not mandate that governments advance fund these liabilities; however, to the extent governments choose to continue to fund them on a pay-as-you-go basis, any shortfall in relation to the funding needed based on actuarial calculations must be recognized in the financial statements of the entity.

The City of Santa Barbara makes limited payments to retirees to assist in the cost of retirement health care coverage, which payments vary slightly by labor group. In all cases, the amount paid is determined on the number of years of service and requires that the employee works for the City for a minimum of fifteen years. In addition, unlike similar benefits in many other agencies, the City’s payments terminate when the retiree reaches age 65.

The City currently is on a pay-as-you-go basis for retiree health contributions, but recognizes the advantage of advance funding of these obligations. Prior to the recent recession, when the new standards went into place, the City intended to move to a fully funded approach. However, the financial impacts created by the severe economic downturn have delayed that decision until City finances are more stable and the additional funds needed to fully fund the liabilities are available.

### **Written Response to the Grand Jury**

The attached letter to the Assistant Presiding Judge, the Honorable Arthur A. Garcia, from City Administrator Jim Armstrong contains the City of Santa Barbara's response to the findings and recommendations presented in the County of Santa Barbara Grand Jury report (Attachment 1). The letter is in accordance with the Grand Jury's direction. Staff recommends Council authorize the City Administrator to execute the letter for submittal to the Grand Jury.

**ATTACHMENTS:**     1. Grand Jury Report  
                             2. Letter from Jim Armstrong to the Assistant Presiding Judge

**SUBMITTED BY:**     Robert Samario, Finance Director

**APPROVED BY:**     City Administrator's Office

MAILING ADDRESS:  
GRAND JURY SUITE 12  
411 E. CANON PERDIDO ST.  
SANTA BARBARA, CA  
93101-7531



TEL: (805) 568-2291  
FAX: (805) 568-3301  
email: sbcgj@sbcgj.org  
http:// www.sbcgj.org

**GRAND JURY  
SANTA BARBARA COUNTY**

June 2011

City Manager  
City of Santa Barbara  
735 Anacapa Street  
Santa Barbara, CA 93101

**RECEIVED**

JUN 16 2011

CITY ADMINISTRATOR'S OFFICE  
SANTABARBARA

Dear Sir:

On behalf of the 2010-11 Santa Barbara County Civil Grand Jury (Jury), I am enclosing our report entitled "**Local Government Post Employment Benefits in Santa Barbara County – Complicated and Costly**" for your review and response.

The Jury, Santa Barbara County Counsel and Assistant Presiding Judge Arthur A. Garcia have reviewed and approved this report. A copy will be sent to any agency or agency head for which findings and recommendations are applicable, and an information copy will be sent to the Board of Supervisors. I have also attached *Sections 933(c) and 933.05(a), (b) and (c) of the California Penal Code* with emphasis added in bold face to enhance a complete response. In particular, please be mindful of the following requirements:

- You are receiving this report two working days prior to its release to the public. You shall not disclose the contents of this report prior to its public release per *California Penal Code, Section 933.05(f)*
- The response time for public agencies and agency heads is 90 days from receipt
- The response time for elected county officials is 60 days from receipt



- The response time for elected county officials is 60 days from receipt
- You must respond to each applicable finding and recommendation in this report and all responses must include a timeframe for implementation per *California Penal Code, Section 933.05(b)(2)*
- You must submit your signed original response to Judge Garcia with an information copy to the Board of Supervisors
- Please submit a printed copy of your response, as well as a copy on CD-ROM disc in MS Word or PDF format, to the Jury

Please be aware this report and your response will be posted on the Jury website at [sbcgj.org](http://sbcgj.org) and may be included in our official published reports.

In order to assist you in responding I am providing you with the mailing addresses for Judge Garcia and Supervisor Gray:

Hon. Arthur A. Garcia,  
Assistant Presiding Judge  
Santa Barbara Superior Court  
312 East Cook Street  
P.O. Box 5369  
Santa Maria, California 93456-5369

Hon. Joni Gray, Chair  
Santa Barbara County Board of Supervisors  
County Administration Building  
105 East Anapamu Street  
Santa Barbara, California 93101

Thank you for your anticipated cooperation.

Sincerely,



Kathryn D. McKee, Foreperson

2010-11 Santa Barbara County Civil Grand Jury  
Attachments

Attachment

*2010 California Penal Code*

*Section 933*

(c) No later than 90 days after the grand jury submits a final report on the operations of any public agency subject to its reviewing authority, the governing body of the public agency shall comment to the presiding judge of the superior court on the findings and recommendations pertaining to matters under the control of the governing body, and every elected county officer or agency head for which the grand jury has responsibility pursuant to *Section 914.1* shall comment within 60 days to the presiding judge of the superior court, with an information copy sent to the board of supervisors, on the findings and recommendations pertaining to matters under the control of that county officer or agency head and any agency or agencies which that officer or agency head supervises or controls. In any city and county, the mayor shall also comment on the findings and recommendations. All of these comments and reports shall forthwith be submitted to the presiding judge of the superior court who impaneled the grand jury. A copy of all responses to grand jury reports shall be placed on file with the clerk of the public agency and the office of the county clerk, or the mayor when applicable, and shall remain on file in those offices. One copy shall be placed on file with the applicable grand jury final report by, and in the control of the currently impaneled grand jury, where it shall be maintained for a minimum of five years.

*Section 933.05*

(a) For purposes of subdivision (b) of *Section 933*, as to each grand jury finding, the responding person or entity shall indicate one of the following:

- (1) The respondent agrees with the finding.
- (2) The respondent disagrees wholly or partially with the finding, **in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefor.**

(b) For purposes of subdivision (b) of *Section 933*, as to each grand jury recommendation, the responding person or entity shall report one of the following actions:

- (1) The recommendation has been implemented, **with a summary regarding the implemented action.**
- (2) The recommendation has not yet been implemented, but will be implemented in the future, **with a timeframe for implementation.**
- (3) The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency when applicable. **This timeframe shall not exceed six months from the date of publication of the grand jury report.**
- (4) The recommendation will not be implemented because it is not warranted or is not reasonable, **with an explanation therefor.**

(c) However, if a finding or recommendation of the grand jury addresses budgetary or personnel matters of a county agency or department headed by an elected officer, both the agency or department head and the board of supervisors shall respond if requested by the grand jury, but the response of the board of supervisors shall address only those budgetary or personnel matters over which it has some decisionmaking authority. The response of the elected agency or department head shall address all aspects of the findings or recommendations affecting his or her agency or department.

# **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS IN SANTA BARBARA COUNTY**

## **Complicated and Costly**

### **SUMMARY**

In March, the 2010-11 Santa Barbara County Civil Grand Jury (Jury) published a report on the results of its survey of salaries and benefits offered by local government agencies within the county.

While the March survey and report proved to be an illuminating endeavor, the Jury realized the data presented represented only a review of current total compensation. The Jury decided to conduct a follow-on survey of post employment benefits including pension and other post employment benefits (OPEB) incurred by the same government agencies for employees who would be retiring. The following report is an outgrowth of that survey.

The Jury learned that while the majority of these agencies make annual contributions to fund post employment benefit programs, many of the agencies do not know their total post employment obligations nor the asset values, either actuarial or market, supporting such obligations. The reason for this lack of knowledge is that they participate in retirement pools either through Santa Barbara County Employees Retirement System (SBCERS), California Public Employees Retirement System (CalPERS), or California State Teachers Retirement System (CalSTRS). With the exception of Santa Barbara County's participation in SBCERS, each member represents a relatively small component of these centrally managed pools.

Furthermore, actuarial estimates are not currently available for the individual pool members. However, the pooling concept makes sense for these agencies – both by spreading risk and spreading costs of operation. As noted, the Jury finds the majority of local government employers in the county are not aware of their individual share of their defined benefit plan's assets or future obligations.

In addition, many agencies fund their post employment healthcare benefits on a pay-as-you-go basis. As stable as the current funding situation may be for current retirees (and those nearing retirement), there is a serious potential shortfall of funding for future retirees.

The Jury believes there is a need to know the extent of these unfunded future obligations, for the agencies, their employees, and for the Santa Barbara County ratepayers and taxpayers.

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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The Jury believes that all ratepayers and taxpayers in the county are entitled to estimates of future funding requirements.

### **BACKGROUND**

Due to national public focus on the future funding requirements of pension obligations for governmental employees, the 2010-11 Santa Barbara County Civil Grand Jury (Jury) conducted a survey of pension, healthcare, and other post employment benefit obligations for local government agencies<sup>1</sup> within the county to determine the total countywide unfunded liability. The term “unfunded liability” applies to pension plans and other post employment obligations.<sup>2</sup>

This report is not intended as an in-depth study of the future post employment obligations of governmental agencies within Santa Barbara County, but as a survey of those obligations.

### **METHODOLOGY**

The Jury conducted a survey of the total unfunded post employment benefit liabilities for local government agencies in Santa Barbara County. The survey included Santa Barbara County, cities, school districts, and special districts. Each agency has a different unfunded actuarial liability because of demographic and economic assumptions. An actuary was interviewed to gain a better understanding of the methodology and complexity of estimating a particular agency’s pool liability.

The Jury emailed a questionnaire on post employment obligations to nearly all agencies operating within the county. A few agencies without staff or with minimal budgets per the compensation survey were not sent surveys.

The Jury learned that numerous agencies were unable to respond completely because specific information was unavailable due to their participation in pension pools which manage their retirement plans. It was this surprising information that prompted the Jury to make the recommendations contained in this report.

The Jury reviewed certain Governmental Accounting Standards Board (GASB)<sup>3</sup> rules for the financial reporting of pension and other post employment obligations. GASB Statements issued that pertain to accounting for pensions and other post employment benefits are Nos. 25, 26, 27, 43, and 45.

### **PENSIONS IN GENERAL**

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<sup>1</sup> “Local government agencies” refers to Santa Barbara County, its cities, school districts and special districts (See Exhibit 1).

<sup>2</sup> Glossary, Table 4.

<sup>3</sup> Governmental Accounting Standards Board, <http://www.gasb.org>

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

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The majority of agencies within the county that have pension plans for their employees contribute to a defined benefit pension plan. Wikipedia<sup>4</sup> defines a defined benefit pension plan as follows:

*... a defined benefit pension plan is a type of pension plan in which an employer promises a specified monthly benefit on retirement that is predetermined by a formula based on the employee's earnings history, tenure of service and age, rather than depending on investment returns. It is 'defined' in the sense that the formula for computing the employer's contribution is known in advance.*

In contrast, Wikipedia defines a defined contribution plan as follows:

*... a defined contribution plan is a type of retirement plan in which the amount of the employer's annual contribution is specified. Individual accounts are set up for participants and benefits are based on the amounts credited to these accounts (through employer contributions and, if applicable, employee contributions) plus any investment earnings on the money in the account. Only employer contributions to the account are guaranteed, not the future benefits. In defined contribution plans, future benefits fluctuate on the basis of investment earnings. The most common type of defined contribution plan is a savings and thrift plan. Under this type of plan, the employee contributes a predetermined portion of his or her earnings (usually pretax) to an individual account, all or part of which is matched by the employer.*

### Defined Benefit Pension Plans

Within Santa Barbara County, there are three primary retirement systems providing defined benefit pension plans for local government employees:

#### **SBCERS, Santa Barbara County Employees' Retirement System**

- SBCERS operates as a cost-sharing multiple-employer defined benefit plan for Santa Barbara County and is governed by an 11 member Board of Retirement, six of whom are elected by members, four appointed by the Board of Supervisors and the county treasurer. Members of the SBCERS system are the County of Santa Barbara, nine other special districts located within the county, and the Superior Court
- The SBCERS system currently offers four general retirement plans, one for general or miscellaneous members, two for safety members and one for the Air Pollution Control District (APCD)

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<sup>4</sup> Defined Benefit Plan and Defined Contribution Plan, <http://en.wikipedia.org>



## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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### **CalPERS, State of California Public Employees' Retirement System**

- CalPERS is the largest public pension plan in the nation, providing retirement and healthcare plans to state employees and other governmental agencies within the state. CalPERS administers 13 defined benefit retirement formulas for more than 2,500 state, school (classified employees only), and public agency employers. The system is governed by a 13 member Board of Administration, six of whom are elected by members, three are state officers, two are appointed by the governor, one appointed by the State Personnel Board, and one by the speaker of the assembly and Senate Rules Committee
- CalPERS currently manages over 450 individual defined benefit plans for agencies with 100 members or more. For agencies with fewer than 100 members, CalPERS offers five Miscellaneous Risk pools, four Safety Risk pools, and one Inactive Plan pool.<sup>5</sup> As an example of a plan, under a 2% @ 55 formula, an employee with 30 years of service retiring at age 55 would receive an annual pension of 60% (2% for each year of service) of his or her highest annual average salary for either one year or three years, depending upon the plan. School employees who do not qualify as teachers for inclusion in the CalSTRS program are members of the CalPERS Miscellaneous 2% @ 55 Risk Pool
- Risk pools provide a sharing of risk among the agencies and also economies of scale insofar as it would be inefficient and costly to maintain an individual plan with few employee members. As shown on Exhibit 2, three agencies (cities) in Santa Barbara County have individual plans with CalPERS. The remaining CalPERS agencies' employees are members of various risk pools
- In addition to defined benefit pension plans, CalPERS also provides defined contribution plans and other employee benefit plans<sup>6</sup>

### **CalSTRS, California State Teachers' Retirement System**

- CalSTRS currently manages the CalSTRS Defined Benefit Program for "California public school employees, prekindergarten through community college, who teach, are involved in selecting and preparing instructional materials, or are supervising people engaged in those activities."<sup>7</sup> The system is governed by a 12 member Teacher's Retirement Board, three of whom are elected by members; one retired member appointed by the governor and approved by the senate; three public representatives appointed by the governor and confirmed by the senate; one school board representative appointed by the governor and approved by the senate; and four members who serve in an ex-officio capacity by

<sup>5</sup> CalPERS Facts At A Glance: General, April 2011, <http://www.calpers.ca.gov>

<sup>6</sup> CalPERS Supplemental Income Plans, <http://www.calpers.ca.gov>

<sup>7</sup> CalSTRS Comprehensive Annual Financial Report – 2010, <http://www.calstrs.com>

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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virtue of their office: director of finance, state controller, state superintendent of public instruction, and state treasurer

- School employees who do not qualify as members of CalSTRS are members of the CalPERS Miscellaneous 2% @ 55 Risk Pool<sup>8</sup>
- In addition to the Defined Benefit Program, CalSTRS also provides a Defined Benefit Supplement Program, Cash Balance Benefit Program and Replacement Benefit Program<sup>9</sup>
- All defined benefit plans discussed above include some form of disability coverage and allow for optional survivor coverage. Some provide for a death benefit. Furthermore, each of the systems provides optional health benefit plans

### **Outliers**

- Agencies whose employees are not part of one of the previously discussed systems either have a defined contribution plan of some type or no plan. As shown in Exhibit 1, employees of four agencies participate in a defined contribution or similar plan and 12 agencies do not have an employee plan
- Santa Barbara Metropolitan Transit District's (MTD) represented employees are members of the Western Conference of Teamsters Pension Plan, a pooling of various employers. The MTD did obtain an estimate of its portion of the pool's assets and obligations prepared by its consultants; non-represented employees participate in a defined contribution plan
- Exhibit 1 shows the plans to which each agency participates

### **Pension Highlights**

All information shown in the exhibits and tables is taken from information published by the retirement systems or from surveys prepared by the individual agencies. No attempt was made to independently verify any of the data obtained.

### **SBCERS, Santa Barbara County Employees Retirement System:**

The following summarizes SBCERS pension fund performance for fiscal years since year 2000.

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<sup>8</sup> Ibid

<sup>9</sup> Ibid



## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

### SBCERS Pension Fund Performance

(all dollar amounts in millions)

Valuation Year (Notes 1 and 2)	Market Value of Assets (Dollars)	Actuarial Value of Assets (Dollars)	Actuarial Accrued Liability (Dollars)	Unfunded Liability - Assets @ Market Values (Dollars)	Unfunded Liability - Assets @ Actuarial Values (Dollars)	Funding Ratio @ Market Values (Note 3)	Funding Ratio @ Actuarial Values (Note 4)
Dec-00	n/a	1,171	1,146	n/a	(25)	n/a	102.2%
Dec-01	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Dec-02	n/a	1,296	1,364	n/a	68	n/a	95.0%
Jun-03	n/a	1,347	1,455	n/a	108	n/a	92.6%
Jun-04	1,347	1,379	1,579	232	200	85.3%	87.4%
Jun-05	1,476	1,444	1,688	212	244	87.4%	85.6%
Jun-06	1,629	1,553	1,810	181	257	90.0%	85.8%
Jun-07	1,900	1,735	1,957	57	222	97.1%	87.1%
Jun-08	1,763	1,894	2,136	373	242	82.5%	88.6%
Jun-09	1,421	1,706	2,264	843	558	62.8%	75.4%
Jun-10	1,609	1,927	2,616	1,007	689	61.5%	73.7%

Note 1 - Information for years prior to 2007 was provided by prior actuaries

Note 2 - "Prior to 2007, non-valuation assets reserves were included with the Actuarial Value of Assets (AVA), non-valuation asset reserves were also added to Actuarial Accrued Liabilities (AAL) prior to 2007. Beginning in 2007, non-valuation assets are not included in the AVA and are no longer added to the AAL." (Source SBCERS 2007 Financial Report)

Note 3 - Funding Ratio @ Market Values - Market Value of Assets divided by Actuarial Accrued Liability

Note 4 - Funding Ratio @ Actuarial Values - Actuarial Value of Assets divided by Actuarial Accrued Liability

The 2010 employers' pension costs, as a percent of payroll as of June 30, 2010, the most recent fiscal year, are shown below.<sup>10</sup> It is important to note that agencies make annual contributions to the defined benefit pension fund which includes two cost components - normal cost and amortization cost.

### SBCERS - Percent of Payroll

	General Members	Safety Members	APCD Members	Average
Net Employer Normal Cost	13.85%	24.33%	14.76%	16.58%
Amortization of Unfunded Actuarial Accrued Liability	16.09%	22.95%	18.41%	17.90%
<b>Totals</b>	<b>29.94%</b>	<b>47.28%</b>	<b>33.17%</b>	<b>34.48%</b>

The above rates are only the employers' portion of the pension costs. "Member contribution rates are actuarially determined on the basis of plan and age upon entry into the retirement system."<sup>11</sup> However, in many cases, the employing agency is paying a portion or all of the required member contribution.

<sup>10</sup> SBCERS 2010 Financial Statements, <http://www.countyofsb.org>

<sup>11</sup> SBCERS plan description for safety members, <http://www.countyofsb.org>

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

Due to agency participation in pools, SBCERS does not provide separate actuarial reports for each agency (the Air Pollution Control District is an exception because it is the only participant in its pool). Consequently, the public and management do not know the unfunded pension liability for each individual agency. While the unfunded liability for each agency could be estimated, it appears this is seldom done.

### **CalPERS, State of California Public Employees Retirement System:**

With the exception of three cities in the county participating in CalPERS with individual plans, most agencies and school districts employees who are not members of CalSTRS contribute to pooled funds with statewide participants, making it impossible to determine even a total local liability.

In summary, the various statewide pools, as of 2009, included in the June 30, 2010, CalPERS annual report, totaled as follows:<sup>12</sup>

<b>CalPERS Funded Ratios –Statewide Pools</b> (all dollar amounts in millions)	
Actuarial Accrued Liability	\$20,584
Actuarial Value of Assets	\$17,154
Unfunded Liability (line 1- line 2)	\$3,431
Funded Ratio (line 2 / line 1)	83.3%
Side Funds*	(\$1,552)
Actuarial Value of Assets excluding Side Funds (line 1 – line 5)	\$18,706
Unfunded Liability excluding Side Funds (line 1 – line 6)	\$1,879
Funded Ratio excluding Side Funds (line 6 / line 1)	90.9%
Market Value of Assets	\$12,513
Unfunded Liability at Market Values (line 1 – line 9)	\$8,071
Funded Ratio at Market Values (line 10 / line 1)	60.8%
*Side funds were created at the time CalPERS implemented risk pools to ensure that plans with varying funded status could participate in the same pool. Each side fund is subject to a fixed amortization schedule. Anytime an employer improves benefits for their plan, the side fund is adjusted to ensure the employer pays for the benefit improvement and a new 20-year amortization is established. (Source – CalPERS website)	

The following shows CalPERS pension fund performance since year 2000 as reported in CalPERS financial reports:

<sup>12</sup> Total of all funds set forth in CalPERS summary attached as Exhibit 2

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

CalPERS Pension Fund Performance							
(all dollar amounts in millions)							
Valuation Year (June 30 fiscal year)	Market Value of Assets (Dollars)	Actuarial Value of Assets (Dollars)	Actuarial Accrued Liability (Dollars)	Unfunded Liability - Assets @ Market Values (Dollars)	Unfunded Liability - Assets @ Actuarial Values (Dollars)	Funding Ratio @Market Values (Note 1)	Funding Ratio @ Actuarial Values (Note 2)
2000	172,163	162,439	135,970	(36,193)	(26,469)	126.6%	119.5%
2001	156,053	166,860	149,155	(6,898)	(17,705)	104.6%	111.9%
2002	142,455	156,067	163,961	21,506	7,894	86.9%	95.2%
2003	144,330	158,596	180,922	36,592	22,326	79.8%	87.7%
2004	167,110	169,899	194,609	27,499	24,710	85.9%	87.3%
2005	189,103	183,680	210,301	21,198	26,621	89.9%	87.3%
2006	211,188	199,033	228,131	16,943	29,098	92.6%	87.2%
2007	251,162	216,484	248,224	(2,938)	31,740	101.2%	87.2%
2008	238,041	233,272	268,324	30,283	35,052	88.7%	86.9%
2009	178,860	244,964	294,042	115,182	49,078	60.8%	83.3%
Note 1 - Funding Ratio @ Market Values - Market Value of Assets divided by Actuarial Accrued Liability							
Note 2 - Funding Ratio @ Actuarial Values - Actuarial Value of Assets divided by Actuarial Accrued Liability							

CalPERS reports a year in arrears. The above shows the data from its June 30, 2010 financial reports, which are also used to calculate the rates for the 2010-11 fiscal year.

The CalPERS website reports that, for agencies within Santa Barbara County, employers' rates for the 2009-10 year for non-safety members ranged from a low of 5.123% of payroll to a high of 18.564%. For safety members, rates ranged from a low of 10.256% to a high of 30.833%. The school employer rate was 9.709%. Employee contribution rates were reported as varying between 5% and 9%. In some agencies, a portion or all of the employee's rates were actually paid by the employer.

Data for agencies having individual plans are shown in Exhibit 3.

### CalSTRS, California State Teachers Retirement System:

The following shows CalSTRS pension fund performance since year 2000 as reported in CalSTRS' financial reports:

CalSTRS Pension Fund Performance							
(all dollar amounts in millions)							
Valuation Year (June 30 fiscal year)	Market Value of Assets (Note 1)	Actuarial Value of Assets (Note 2)	Actuarial Accrued Liability (Dollars)	Unfunded Liability - Assets @ Market Values	Unfunded Liability - Assets @ Actuarial Values (Dollars)	Funding Ratio @Market Values Note (n/a)	Funding Ratio @ Actuarial Values (Note 3)

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

2000	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2001	n/a	107,654	109,881	n/a	2,227	n/a	98.0%
2002	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2003	n/a	108,667	128,104	n/a	19,437	n/a	84.8%
2004	n/a	114,094	134,677	n/a	20,583	n/a	84.7%
2005	n/a	121,882	142,193	n/a	20,311	n/a	85.7%
2006	n/a	131,237	150,872	n/a	19,635	n/a	87.0%
2007	n/a	148,427	167,129	n/a	18,702	n/a	88.8%
2008	n/a	155,215	177,734	n/a	22,519	n/a	87.3%
2009	n/a	145,142	185,683	n/a	40,541	n/a	78.2%

Note 1 - Market Values not provided  
 Note 2 - "Except for year ended June 30, 2004 actuarial valuations were not prepared in even numbered years. No estimation using actuarial methodology is made in years between valuations." (Source - CalSTRS 2006 Financial Report)  
 Note 3 - Funding Ratio @ Actuarial Values - Actuarial Value of Assets divided by Actuarial Accrued Liability

CalSTRS contribution rates are 8.25% paid by the employer, 8% paid by the employee (increased from 6% effective January 1, 2011) and 2.017% paid by the state, provided however, the state may be required to contribute additional funds for shortfalls. It is not known if any of the required employee contributions are being made by the employer. Whereas the contribution rates for SBCERS and CalPERS are calculated based on actuarial determined rates, CalSTRS contribution rates are set by the State legislature.

As with SBCERS and CalPERS pools, the school districts within Santa Barbara County are pooled with other districts in California and do not know the amount of their respective individual unfunded liability.

## OBSERVATIONS AND ANALYSIS

### Funding

Defined benefit retirement plans are prefunded systems that receive regular contributions for an employee from three sources: the employee, the employer, and investment returns. These contributions are made for an employee throughout his or her career. This is different than a pay as you go system which uses contributions from current employees to pay benefits to current retirees. Investment returns are a significant source of the funding that pays for benefits. Nationally, between 1993 and 2006, 19.6% of state and local government pension fund receipts came from employers, 10.8% from employees, and 69.6% from investment earnings.<sup>13</sup>

As can be seen from the above tables, there are significant annual variations in the unfunded liabilities and funding ratios for each of the defined benefit retirement systems.

<sup>13</sup> *Pensionomics - Measuring the economic impact of State and Local Pension Plans*, Ilana Boivie and Beth Almeida, February, 2009, National Institute of Retirement Security, [www.nirosnline.org](http://www.nirosnline.org)

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

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Investment performance dictates the employer contribution portion because returns increase or decrease the employer's annual share of actuarially required contributions. If high investment returns are realized, the employer's contribution decreases. Conversely, if investments perform poorly, the employer's contribution increases to make up for the loss of investment earnings.

### **Fitch Ratings<sup>14</sup>**

Fitch Ratings (Fitch) is a major global rating agency providing the world's credit markets with independent and prospective credit opinions, research, and data. Fitch notes that current disclosure requirements make it impossible for Fitch to accurately allocate a cost-sharing multiple-employer system's unfunded pension liability to the numerous participating employers that use pools to provide pensions to their employees. Fitch will now request from states that it rates, a documented estimate of the portion of the unfunded liability of each state-run, cost-sharing multiple-employer system that is attributable to the state itself and, if possible, to participating local government employers.

The Governmental Accounting Standards Board (GASB) is formulating significant changes to pension disclosure requirements that are expected to improve transparency and reliability. Fitch will revisit its analytical framework after these changes are made and enhanced disclosure becomes available.

### **Moody's Investor Service (Moody's)<sup>15</sup>**

Moody's is a provider of credit ratings, credit and economic related research, data and analytical tools, risk management software and quantitative credit risk measures, credit portfolio management solutions, training and financial credentialing and certification services. Moody's has begun to recalculate the states' debt burdens in a way that includes unfunded pensions, something states and others have ardently resisted until now.

Moody's new approach may now turn the tide in favor of more disclosure. In the past, Moody's looked at a state's level of bonded debt alone when assessing its creditworthiness. Pensions were considered "soft debt" separate from the bonds, using a different method. Moody's had decided it is important to consider total unfunded pension obligations because they could contribute to current budget woes. Government agencies "...have a tax base. They have contractually obligated themselves to make these payments. These are part of the ongoing budget stress ... It ultimately all comes back to being an operating cost. Addressing those problems is really what's happening today."

### **Governmental Accounting Standards Board (GASB)<sup>16</sup>**

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<sup>14</sup> *Fitch Ratings: Enhancing the Analysis of U.S. State and Local Government Pension Obligations*, February 17, 2011, <http://reports.fitchratings.com>

<sup>15</sup> Mary Williams Walsh, New York Times, January 27, 2011, "Moody's to Factor Pension Gaps in State's Ratings," <http://www.nytimes.com/2011/01/27/business>



## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

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"In June 2010, the GASB issued a Preliminary Views entitled *Pension Accounting and Financial Reporting by Employers* that contains a preliminary set of views about how to improve the effectiveness of the existing pension standards for state and local governments."<sup>17</sup> If adopted, these views would revise actuarial assumptions currently employed by most local governments and which could affect current income. In addition, "The GASB believes that the unfunded portion of a cost-sharing pension plan's obligation is the primary responsibility of the participating governments as a group. Each participating government, therefore, should report a net liability based on its proportion of the unfunded obligation of all the participating governments." The deadline for public comment was September 17, 2010. The GASB will release a draft, for comment, of its proposed pension accounting changes as soon as June 2011.

### Actuarial Valuations

The following is a CalPERS quotation that the Jury believes has wide applicability.<sup>18</sup>

*What will the pension plan cost? Unfortunately, there is no simple answer. There are two major reasons for the complexity of the answer:*

*First, all actuarial calculations, including those in this report, are based on a number of assumptions about the future. These assumptions can be divided into two categories.*

- *Demographic assumptions include the percentage of employees that will terminate, die, become disabled, and retire each future year.*
- *Economic assumptions include future salary increases for each active employee, and the assumption with the greatest impact, future asset returns at CalPERS for each year into the future until the last dollar is paid to current members of your plan.*
- *While CalPERS has set these assumptions as our best estimate of the real future of your plan, it must be understood that these assumptions are very long-term predictors and will surely not be realized in any one year. For example, while the asset earnings at CalPERS have averaged more than the assumed 7.75% for the past twenty year period ending June 30, 2010, returns for each fiscal year ranged from -24% to +20.1%.*

*Second, the vary nature of actuarial funding produces the answer to the question of plan or pool cost as the sum of two separate pieces:*

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<sup>16</sup> Institutional Investor <http://www.institutionalinvestor.com/Article/2812574/GASB-Readying-Public-Pension-Accounting-Changes.html>

<sup>17</sup> GASB release, June 2010

<sup>18</sup> CalPERS, 2% at 55 Risk Pool, June 30, 2009, Cost and Volatility, <http://www.calpers.ca.gov>

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

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- *The Normal Cost (i.e., the future annual premiums in the absence of surplus or unfunded liability) expressed as a percentage of total active payroll, and*
- *The Past Service Cost or Accrued Liability (i.e., representing the current value of the benefit all credited past service of current members) which is expressed as a lump sum dollar amount.*
- *The cost is the sum of a percent of future pay and a lump sum dollar amount (the sum of an apple and an orange if you will). To communicate the total cost, either the Normal Cost (i.e., future percent of payroll) must be converted to a lump sum dollar amount (in which case the total cost is the present value of benefits), or the Past Service Cost (i.e., the lump sum) must be converted to a percent of payroll (in which case the total cost is expressed as the employer's rate, part of which is permanent and part temporary). Converting the Past Service Cost lump sum to a percent of payroll requires a specific amortization period, and the plan or pool rate will vary depending on the amortization period chosen. And as the first point above states; these results depend on all assumptions being exactly realized.*

The calculation of unfunded liability for each plan is based on a negotiated pension formula, amortization of side funds and unfunded liability, smoothing periods, and various other actuarial assumptions. Actuarial assumptions also include projected rates of return on investments, employment longevity, salary increases and cost of living increases, which are different for each of the retirement systems. Consequently, it is not possible to make direct comparisons of the retirement systems or their results. Tables 1, 2 and 3 summarize the retirement plans and major actuarial assumptions for SBCERS, CalPERS, and CalSTRS, respectively. Table 4 is a Glossary of Actuarial Terms that can be used in evaluating all the plans.

In addition, although this report has been prepared from information provided by the agencies for the fiscal year ending June 30, 2010, there are differences in the actual dating of the information, as follows:

- SBCERS - Assets are appraised as of the valuation date of June 30, 2010 and Contribution Rates for the following fiscal year determined by the Actuarial Valuation
- CalPERS – The pension information provided by the agencies in their annual reports of June 30, 2010, actually represents the results of CalPERS actuarial valuation of June 30, 2009. Contribution Rates for the July 1, 2011 through June 30, 2012 fiscal year are based on the June 30, 2009 valuation date
- CalSTRS – As with CalPERS, the pension information provided by the agencies in their annual reports of June 30, 2010, actually represent the results of CalSTRS actuarial valuation of June 30, 2009. Contribution Rates are fixed by and subject to revision by the state legislature

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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### **Other Post Employment Obligations (OPEB)**

In addition to pensions, many agencies provide some form of post employment health care coverage. As reflected below, these aggregate amounts for all three systems are sizeable and will have to be included in future budgets and funded from future revenues.

#### **Healthcare Benefits**

While not having received the same level of attention, the OPEB healthcare obligations, which include medical, dental, vision and other health related benefits, if applicable, can be sizable and are required to be reported in financial statements. As shown in Exhibit 4A, as of June 30, 2010, the date of the agencies' last fiscal year, the Actuarial Accrued Liabilities as reported by the agencies totaled \$325,193,581, of which \$9,136,137 had been funded, leaving a total actuarial unfunded liability balance for all agencies of \$316,057,444.

#### **Other Than Healthcare Benefits**

As shown in Exhibit 4B, three agencies reported other post employment obligations totaling \$5,562,620, which includes: \$3,805,000 accrued sick leave benefits by the City of Santa Barbara, \$150,000 for voluntary resignation incentive plan by College School District, and \$1,607,620 for early retirement and medical benefits for a former supervisor by Lompoc Unified School District.

#### **Compensated Absences**

In addition, 48 agencies reported Compensated Absences Liability for vacation, sick days and other unfunded obligations that would be payable upon an employee's separation from the entity. As shown in Exhibit 4C, the total obligation for all agencies was \$60,756,644.

## **CONCLUSIONS**

The implications of the data reflected in this report are staggering. The recent market recovery will reduce the size of the unfunded liabilities, assuming that markets remain stable and there are no major changes in the actuarial assumptions. Anticipated GASB rule changes can be expected to increase unfunded liabilities. Based on actuarial value of assets, as of June 30, 2010, the Santa Barbara County Employees' Retirement System (SBCERS) had an unfunded pension liability of approximately \$689,000,000.<sup>19</sup> Based on actuarial value of Assets statewide, the California Public Employees Retirement System (CalPERS) pools and California State Teachers' Retirement System (CalSTRS) plans had unfunded liabilities overall in excess of \$42,400,000,000. Local government agencies who participate in pools are unable to break out their specific individual unfunded

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<sup>19</sup> SBCERS unfunded liability includes Santa Barbara County Superior Court employees, but who are state employees.



## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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accrued liability. As a result, the agencies do not know the extent of their specific future obligations, which makes it difficult to do strategic financial planning for pension expense beyond the next year or so.

Agencies in Santa Barbara County offering retiree health benefits have an additional unfunded liability of \$316,000,000 for these plans as well. They are principally on a pay as you go basis, wherein new hires and current employees or the employer pays for retiree benefits as a part of operational costs. In order to manage future costs, thought should be given to either containing the benefit or funding it. These liabilities can be expected to grow as the number of employees retiring expands and health costs continue to increase.

Current pension and other post employment benefit plans were negotiated by the individual agencies and their respective employee bargaining units, and approved by their governing bodies. Change would be subject to collective bargaining and approval by the applicable governing body.

Those agencies participating in a SBCERS, CalPERS or CalSTRS plan have little control over their plans other than to switch an existing plan to a different plan within the system, such as switching from a CalPERS Safety 2% @ 50 Risk Pool to a Safety 2% @ 55 Risk Pool. Any such change would be subject to collective bargaining and approval by the applicable governing body.

Other Post Employment Benefit unfunded accrued liabilities, particularly healthcare obligations, are sizable. Many agencies fund their post employment healthcare benefits on a pay as you go basis.

This report is a wake-up call for agencies to seek the information and take action that will allow them to better plan for their financial future.

## **FINDINGS AND RECOMMENDATIONS**

### **Finding 1a**

Most public agencies in Santa Barbara County are participants in large defined benefit pension plan pools, which provide diversification, cost efficiency, spreading of risk, centralized management and centralized investment strategy.

### **Finding 1b**

Public agencies in Santa Barbara County participating in defined benefit pension pools know their current year required contribution and an estimate of the following year's contribution.

### **Finding 1c**

Fitch Ratings is a global rating agency that has announced new disclosure requirements because current disclosure requirements make it impossible for Fitch to accurately

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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allocate a cost-sharing multiple-employer system's unfunded pension liability to the numerous participating employers that use pools to provide pensions to their employees. Moody's Investor Service has begun to recalculate the states' debt burdens in a way that includes unfunded pensions. The Governmental Accounting Standards Board has stated that each government agency participating in a cost-sharing pension plan should report a net liability based on its proportion of the unfunded obligation of all the participating governments.

### **Finding 1d**

Unfunded long-term liability can have an important impact on future funding requirements that the ratepayer, taxpayer and each individual agency needs to know.

### **Finding 1e**

Public agencies in Santa Barbara County participating in defined benefit pension pools do not know their individual long-term unfunded actuarial liability.

### **Recommendation 1**

That, no later than January 1, 2012, all local government agencies that belong to multiple-employer pension pools obtain, and for each year thereafter, make publicly available estimates of their individual unfunded actuarial liability from an actuary or the plan sponsor.

### **Finding 2a**

As of June, 2010, public agencies in Santa Barbara County had a total unfunded actuarial liability for post employment healthcare of approximately \$316,000,000.

### **Finding 2b**

Some agencies pay all or a portion of the healthcare premium costs for employees.

### **Finding 2c**

For the most part, local agency healthcare benefits are pay as you go, and are not structured on a prefunded basis like defined benefit pension plans.

### **Recommendation 2a**

That, no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that contributes some or part of healthcare premium for employees, adopt an implementation plan to reduce those contributions.

### **Recommendation 2b**

That, no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that provides healthcare premiums for employees, implement prefunding their currently unfunded healthcare liability.

### **Finding 3**

As of June, 2010, public agencies in Santa Barbara County had a total liability for compensated absences of nearly \$61,000,000.

## LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS

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### **Recommendation 3**

That, no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that has compensated absences liabilities, adopt an implementation plan to reduce each agency's compensated absences liability.

### **REQUEST FOR RESPONSE**

In accordance with *California Penal Code Section 933.05*, each agency and government body affected by or named in this report is requested to respond in writing to the findings and recommendation in a timely manner. The following are the affected agencies for this report, with the mandated response period for each.

#### **Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 2a, 2b, 2c, 3  
Recommendation 1, 2a, 2b, 3

Santa Barbara County  
Santa Barbara County Education Office  
Ballard School District  
Carpinteria Unified School District  
Guadalupe Union School District  
Lompoc Unified School District  
Orcutt Union School District  
Santa Barbara School District  
Santa Maria-Bonita School District  
Santa Maria Joint Union High School District  
Allan Hancock College

#### **Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 2a, 2b, 2c  
Recommendation 1, 2a, 2b

Buellton Union School District  
Cold Spring School District  
College School District  
Hope School District  
Montecito Union School District  
Santa Barbara City College

#### **Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 3  
Recommendation 1, 3

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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Cuyama Joint Unified School District  
Goleta Union School District  
Los Alamos School District  
Los Olivos School District  
Santa Ynez Valley Union High School District

**Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e  
Recommendation 1

Blochman Union School District  
Solvang School District  
Vista del Mar Union School District

**Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 2a, 2b, 2c, 3  
Recommendation 1, 2a, 2b, 3

City of Buellton  
City of Carpinteria  
City of Lompoc  
City of Solvang  
Cachuma Operations & Maintenance Board  
Carpinteria / Summerland Fire Protection District  
Carpinteria Public Cemetery District  
Carpinteria Sanitary District  
Carpinteria Valley Water District  
Goleta Cemetery District  
Goleta Water District  
Goleta West Sanitary District  
Montecito Fire Protection District  
Montecito Sanitary District  
Montecito Water District  
Mosquito and Vector Management District of SBC  
Santa Barbara Metropolitan Transit District  
Santa Maria Cemetery District  
Santa Ynez River Water Conservation District ID No. 1  
Summerland Sanitary District

**Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 2a, 2b, 2c  
Recommendation 1, 2a, 2b

Santa Barbara County Association of Governments  
Goleta Sanitary District

## **LOCAL GOVERNMENT POST EMPLOYMENT BENEFITS**

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### **Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e, 3

Recommendation 1, 3

City of Goleta

City of Guadalupe

Isla Vista Recreation and Park District

Oak Hill Cemetery District

Santa Maria Public Airport District

Vandenberg Village Community Services District

### **Each Agency Listed Below - 90 days**

Finding 1a, 1b, 1c, 1d, 1e

Recommendation 1

Cuyama Valley Recreation and Park District

Los Alamos Community Services District

### **Each Agency Listed Below - 90 days**

Finding 2a, 2b, 2c, 3

Recommendation 2a, 2b, 3

Santa Barbara Air Pollution Control District

City of Santa Barbara

City of Santa Maria

### **Each Agency Listed Below - 90 days**

Finding 3

Recommendation 3

Cachuma Resource Conservation District

Cuyama Community Services District

Lompoc Cemetery District

Lompoc Valley Medical Center

Mission Hills Community Services District

Santa Ynez Community Services District

[illegible]



**E. Agencies with Defined Contribution Plans (or similar)**

<b>Agency Name</b>
<b>Listing is by Retirement System and then by; County Agencies, Cities, Schools Districts, Colleges, and Special Districts</b>

Santa Barbara County LAFCO  
Cachuma Conservation Release Board  
Cachuma Resource Conservation District  
Casmalla Community Services District  
Cuyama Community Services District  
Embarcadero Municipal Improvement District  
Guadalupe Cemetery District  
Lompoc Cemetery District  
Los Alamos Cemetery District  
Mission Hills Community Services District  
Santa Maria Valley Water Conservation District  
Santa Rita Hills Community Services District

[illegible]

**Note -** Santa Barbara Metropolitan Transit District's (MTD) non-represented employees are members of a defined contribution plan and its represented employees are members of the Teamsters Union defined benefit pension plan. While the Teamsters' plan is a pooling, MTD has made a best efforts estimate of its share of the pooled assets and liabilities of the fund and its data has been included on Exhibit 3, Individual Plans, along with those agencies having individual plans.



# EXHIBIT 2 - CALPERS RISK POOLS

Actuarial Valuation Results for Risk Pools as of June 30, 2009

\*The valuation results below are based on the June 30, 2009 actuarial valuations completed in November 2010. They do not reflect any benefit improvements that might have occurred after November 2010.

Benefit Formula	Miscellaneous Risk Pools						Safety Risk Pools			
	2.0% at 60	2.0% at 55	2.5% at 55	2.7% at 55	3.0% at 60	2.0% at 55	2.0% at 50	3.0% at 55	3.0% at 50	3.0% at 50
Number of Plans	243	430	163	178	89	44	61	116	266	
Number of Active Members	3,506	12,373	5,492	6,856	2,450	387	935	2,563	10,786	
Retirees and Beneficiaries Receiving Payments	1,516	8,257	4,286	4,396	1,819	216	945	2,320	13,130	
<b>Risk Pool's Required Base Employer Rate</b>										
Pool's Gross Employer Normal Cost	6.917%	8.340%	9.489%	10.656%	11.456%	13.454%	14.734%	17.426%	19.003%	
Less: Surcharges for Class 1 Benefits	0.295%	0.656%	0.774%	0.769%	1.199%	0.324%	0.720%	1.701%	1.839%	
Pool's Net Employer Normal Cost	6.622%	7.684%	8.715%	9.887%	10.257%	13.130%	14.014%	15.725%	17.164%	
Payment on Pool's Amortization Base	1.111%	1.859%	4.034%	4.226%	3.896%	2.071%	5.155%	4.583%	5.927%	
Pool's Base Employer Rate	7.733%	9.539%	12.749%	14.113%	14.153%	15.201%	19.169%	20.308%	23.091%	
<b>Funded Status of the Risk Pool</b>										
1. Entry Age Normal Accrued Liability	\$582,841,869	\$3,104,798,222	\$1,834,424,640	\$2,140,438,884	\$483,394,429	\$73,623,106	\$440,333,381	\$1,802,882,330	\$9,721,675,347	
2. Actuarial Value of Assets	\$553,943,526	\$2,758,511,101	\$1,493,430,831	\$1,674,260,302	\$694,384,975	\$63,095,026	\$368,645,673	\$1,520,081,328	\$8,027,158,724	
3. Unfunded Liability [(1) - (2)]	\$28,898,343	\$346,287,121	\$340,993,809	\$466,178,582	\$189,009,454	\$10,530,080	\$71,687,708	\$282,801,002	\$1,694,516,623	
4. Funded Ratio [(2) / (1)]	95.0%	88.9%	81.4%	78.2%	78.6%	85.7%	83.7%	84.3%	82.6%	
5. Side Funds	\$580,003	(\$134,900,555)	(\$133,165,243)	(\$189,069,871)	\$93,693,110	(\$4,979,438)	(\$28,531,145)	(\$137,709,170)	(\$830,821,231)	
6. Actuarial Value of Assets excluding Side Funds [(2) - (5)]	\$553,373,523	\$2,893,411,656	\$1,626,596,074	\$1,863,330,173	\$788,078,085	\$68,074,459	\$397,176,818	\$1,657,790,498	\$8,857,979,955	
7. Unfunded Liability excluding Side Funds [(1) - (6)]	\$29,468,346	\$211,386,566	\$207,828,566	\$277,108,711	\$95,316,344	\$5,550,647	\$43,156,563	\$145,091,832	\$863,695,392	
8. Funded Ratio excluding Side Funds [(6) / (1)]	94.9%	93.2%	88.7%	87.1%	89.2%	92.5%	90.2%	92.0%	91.1%	
9. Market Value of Assets (MVA)	\$403,326,924	\$2,014,366,226	\$1,088,733,372	\$1,224,530,092	\$507,263,008	\$46,048,400	\$270,100,582	\$1,108,159,710	\$5,850,794,301	
10. Funded Ratio (MVA) [(9) / (1)]	69.2%	64.9%	59.4%	57.2%	57.4%	62.5%	61.3%	61.5%	60.2%	

**EXHIBIT 3 - INDIVIDUAL PLANS**

Agency Name	Plan	June 30, 2010 Reported Amounts						Funding Ratio @ Market Values (column 1 / 3)	Funding Ratio @ Actuarial Values (column 2 / 3)
		Market Value of Assets	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Liability - Assets @ Market Values	Unfunded Liability - Assets @ Actuarial Values			
Santa Barbara County Air Pollution District (Note 1)	SBCERS	\$ 21,760,392	\$ 26,056,912	\$ 34,631,911	\$ 12,871,519	\$ 8,574,999		62.8%	75.2%
City of Lompoc	CalPERS	75,749,476	104,111,766	122,797,890	47,048,414	18,686,124		61.7%	84.8%
City of Santa Barbara	CalPERS	382,726,884	523,802,029	669,686,684	286,959,800	145,884,655		57.2%	78.2%
City of Santa Maria	CalPERS	134,450,128	184,088,669	219,379,228	84,929,100	35,290,559		61.3%	83.9%
Santa Barbara Metropolitan Transit District (Note 2)	Teamsters	16,543,688	18,920,500	23,609,779	7,066,091	4,689,279		70.1%	80.1%
		<u>\$ 631,230,568</u>	<u>\$ 856,979,876</u>	<u>\$ 1,070,105,492</u>	<u>\$ 438,874,924</u>	<u>\$ 213,125,616</u>		<u>59.0%</u>	<u>80.1%</u>

Note 1 - Although Santa Barbara County Air Pollution Control District is a part of SBCERS, it is reported separately.

Note 2 - Santa Barbara Metropolitan Transit District's plan for represented employees is with the Teamsters Union Fund which is a pool; however, MTD has made a best efforts estimate of its share of the pooled assets and liabilities.

**EXHIBIT 4 - OBLIGATIONS OTHER THAN PENSIONS**

Agency Name  For convenience, Agencies have been listed by: County Agencies, Cities, Schools Districts, Colleges, and Special Districts	June 30, 2010 Reported Amounts				
	Actuarial Accrued Liability	Actuarial Value of Assets	Market Value of Assets	Unfunded Actuarial Accrued Liability	Unfunded Liability at Market Value
<b>A. OPEB OBLIGATIONS - HEALTH CARE BENEFITS (see Notes 1 and 2)</b>					
Santa Barbara County	\$ 173,943,536	\$ 1,874,929	\$ 1,874,929	\$ 172,068,607	\$ 172,068,607
Santa Barbara County Association of Governments	458,841	-	-	458,841	458,841
Santa Barbara Air Pollution Control District	1,822,303	275,096	275,096	1,547,207	1,547,207
Santa Barbara County Education Office	1,549,925	-	-	1,549,925	1,549,925
City of Buellton	1,210,956	-	-	1,210,956	1,210,956
City of Carpinteria	3,336,816	-	-	3,336,816	3,336,816
City of Lompoc	10,055,000	2,063,000	2,105,503	7,992,000	7,949,497
City of Santa Barbara	30,697,000	-	-	30,697,000	30,697,000
City of Santa Maria	6,798,520	-	-	6,798,520	6,798,520
City of Solvang	1,918,713	-	-	1,918,713	1,918,713
Ballard School District (K-6)	202,852	-	-	202,852	202,852
Buellton Union School District (K-8)	19,500	19,500	19,500	-	-
Carpinteria Unified School Dist. (K-12)	2,338,173	-	-	2,338,173	2,338,173
Cold Spring School District (K-6)	281,234	-	-	281,234	281,234
College School District (K-8)	397,665	-	-	397,665	397,665
Guadalupe Union School District (K-6)	319,280	-	-	319,280	319,280
Hope School District (K-6)	198,836	-	-	198,836	198,836
Lompoc Unified School District (K-12)	307,012	362,778	362,778	(55,766)	(55,766)
Montecito Union School Dist. (K-6)	264,893	-	-	264,893	264,893
Orcutt Union School District (K-9)	5,050,407	-	-	5,050,407	5,050,407
Santa Barbara School District	10,766	-	-	10,766	10,766
Santa Maria-Bonita School Dist. (K-8)	9,756,298	-	-	9,756,298	9,756,298
Santa Maria Joint Union High School District (9-12)	12,464,084	-	-	12,464,084	12,464,084
Allan Hancock College	7,220,666	3,057,587	3,057,587	4,163,079	4,163,079
Santa Barbara City College	681,720	-	-	681,720	681,720
Cachuma Operations & Maintenance Board	1,164,773	-	-	1,164,773	1,164,773
Carpinteria / Summerland Fire Protection District	2,558,975	-	-	2,558,975	2,558,975
Carpinteria Public Cemetery District	64,270	-	-	64,270	64,270
Carpinteria Sanitary District	40,136	-	-	40,136	40,136
Carpinteria Valley Water District	440,624	-	-	440,624	440,624
Goleta Cemetery District	137,676	77	77	137,599	137,599
Goleta Sanitary District	2,773,266	272,130	275,388	2,501,136	2,497,878
Goleta Water District	16,079,140	-	-	16,079,140	16,079,140
Goleta West Sanitary District	750,326	1,208,994	1,361,032	(458,668)	(610,706)
Montecito Fire Protection District	14,752,000	-	-	14,752,000	14,752,000
Montecito Sanitary District	281,750	-	-	281,750	281,750
Montecito Water District	144,729	-	-	144,729	144,729
Mosquito and Vector Management District of SBC	41,844	-	-	41,844	41,844
Santa Barbara Metropolitan Transit District	12,186,000	-	-	12,186,000	12,186,000
Santa Maria Cemetery District	331,582	2,046	2,046	329,536	329,536
Santa Ynez River Water Conservation District ID No. 1	2,058,383	-	-	2,058,383	2,058,383
Summerland Sanitary District	83,111	-	-	83,111	83,111
Totals all Agencies	\$ 325,193,581	\$ 9,136,137	\$ 9,333,936	\$ 316,057,444	\$ 315,859,645

Note 1 - The above OPEB data for SBCERS participants has been updated by the Milliman Actuarial Valuation dated as of June 30, 2010 delivered March 16, 2011. Insofar as this data might not have been available for the preparation of the respective agencies June 30, 2010 annual reports, there may be difference between the above data and the annual reports.

Note 2 - The above OPEB data for CalPERS and CalSTRS participants may be reported a year in arrears.

**B. OTHER OPEB OBLIGATIONS**

City of Santa Barbara	\$ 3,805,000	\$ -	\$ -	\$ 3,805,000	\$ 3,805,000
College School District (K-8)	150,000	-	-	150,000	150,000
Lompoc Unified School District (K-12)	1,607,620	-	-	1,607,620	1,607,620
Totals all Agencies	\$ 5,562,620	\$ -	\$ -	\$ 5,562,620	\$ 5,562,620

**EXHIBIT 4 - OBLIGATIONS OTHER THAN PENSIONS**

Agency Name  For convenience, Agencies have been listed by: County Agencies, Cities, Schools Districts, Colleges, and Special Districts	June 30, 2010 Reported Amounts				
	Actuarial Accrued Liability	Actuarial Value of Assets	Market Value of Assets	Unfunded Actuarial Liability	Unfunded Liability at Market Value
<b>C. COMPENSATED ABSENCES LIABILITIES</b>					
Santa Barbara County	\$ 29,887,683	\$ -	\$ -	\$ 29,887,683	\$ 29,887,683
Santa Barbara County Air Pollution Control District	370,006	-	-	370,006	370,006
Santa Barbara County Education Office	52,962	-	-	52,962	52,962
City of Buellton	68,069	-	-	68,069	68,069
City of Carpinteria	51,830	-	-	51,830	51,830
City of Goleta	318,671	-	-	318,671	318,671
City of Guadalupe	191,998	-	-	191,998	191,998
City of Lompoc	3,309,623	-	-	3,309,623	3,309,623
City of Santa Barbara	8,293,978	-	-	8,293,978	8,293,978
City of Santa Maria	5,884,867	-	-	5,884,867	5,884,867
City of Solvang	115,659	-	-	115,659	115,659
Ballard School District (K-6)	10,357	-	-	10,357	10,357
Carpinteria Unified School Dist. (K-12)	324,467	-	-	324,467	324,467
Cuyama Joint Unified School Dist. (K-12)	14,377	-	-	14,377	14,377
Goleta Union School District (K-6)	76,490	-	-	76,490	76,490
Guadalupe Union School District (K-6)	28,953	-	-	28,953	28,953
Lompoc Unified School District (K-12)	673,105	-	-	673,105	673,105
Los Alamos School District (K-8)	4,220	-	-	4,220	4,220
Los Olivos School District (K-8)	9,679	-	-	9,679	9,679
Orcutt Union School District (K-9)	205,607	-	-	205,607	205,607
Santa Barbara Secondary School District	1,285,594	-	-	1,285,594	1,285,594
Santa Maria Joint Union High School District (9-12)	371,845	-	-	371,845	371,845
Santa Maria-Bonita School Dist. (K-8)	40,030	-	-	40,030	40,030
Santa Ynez Valley Union High School District (9-12)	51,446	-	-	51,446	51,446
Allan Hancock College	815,042	-	-	815,042	815,042
Cachuma Operations & Maintenance Board	104,583	-	-	104,583	104,583
Cachuma Resource Conservation District	19,672	-	-	19,672	19,672
Carpinteria / Summerland Fire Protection District	659,163	-	-	659,163	659,163
Carpinteria Public Cemetery District	2,000	-	-	2,000	2,000
Carpinteria Sanitary District	121,365	-	-	121,365	121,365
Carpinteria Valley Water District	220,769	-	-	220,769	220,769
Cuyama Community Services District	25,668	-	-	25,668	25,668
Goleta Cemetery District	27,737	-	-	27,737	27,737
Goleta Water District	797,136	-	-	797,136	797,136
Goleta West Sanitary District	243,351	-	-	243,351	243,351
Isla Vista Recreation and Park District	42,061	-	-	42,061	42,061
Lompoc Cemetery District	54,039	-	-	54,039	54,039
Lompoc Valley Medical Center	1,771,933	-	-	1,771,933	1,771,933
Mission Hills Community Services District	78,804	-	-	78,804	78,804
Montecito Fire Protection District	958,744	-	-	958,744	958,744
Montecito Sanitary District	186,444	-	-	186,444	186,444
Montecito Water District	347,730	-	-	347,730	347,730
Mosquito and Vector Management District of SBC	63,020	-	-	63,020	63,020
Oak Hill Cemetery District	8,958	-	-	8,958	8,958
Santa Barbara Metropolitan Transit District	837,096	-	-	837,096	837,096
Santa Maria Cemetery District	50,179	-	-	50,179	50,179
Santa Maria Public Airport District	115,136	-	-	115,136	115,136
Santa Ynez Community Services District	43,360	-	-	43,360	43,360
Santa Ynez River Water Conservation District ID No. 1	101,047	-	-	101,047	101,047
Summerland Sanitary District	46,723	-	-	46,723	46,723
Vandenberg Village Community Services District	87,774	-	-	87,774	87,774
Totals all Agencies	\$ 59,471,050	\$ -	\$ -	\$ 59,471,050	\$ 59,471,050

TABLE 1 - SBCERS

## SANTA BARBARA COUNTY EMPLOYEES' RETIREMENT SYSTEM "SBCERS"

Date of Report(s)	June 30, 2010		
Defined Benefit Programs (only)			
Membership:			
Active			4,228
Retired & Beneficiaries			3,318
Vested Terminated Employees			902
Terminated Members (with Contributions)			279
Total Membership			8,727
Plans:	Rate Tier	Formula	Type
General	Plan 5	2% @ 57	Contributory
Safety	Plan 4	3% @ 55	Contributory
Safety	Plan 6	3% @ 50	Contributory
APCD	Plan 1 & 2	2% @ 55	Contributory
General	Plan 2	2% (SSA Integrated)	Non- Contributory
Annualized Payroll as of the Valuation Date:			
Annual Total	\$		306,963,000
Monthly Average	\$		6,050,000
Average Monthly Benefit to Current and Beneficiaries	\$		2,637
Expected Investment Return			7.75%
Inflation Factor			3.25%
Wage growth			3.75%
Asset Smoothing (subject to limits)			5 Years
UAAL amortization period			17 Years
Retirees cost of living increases (subject to CPI limitations)			3.00%, Compounded (except for Plan 2)
Actuarial Accrued Liability			\$2,616,147,000
Valuation date of Assets			June 30, 2010
Assets:			
Market Value of Fund	\$		1,609,449,000
Actuarial Value of Assets	\$		1,927,229,000
Funded Ratios:			
Market Value of Assets			61.50%
Actuarial Value of Assets			73.70%
Unfunded Accrued Liabilities:			
Unfunded Actuarial Accrued Liability	\$		688,918,000
Unfunded Market Value Actuarial Liability	\$		1,006,698,000
Required Employer contribution rate for all tiers combined as a percent of total payroll			
Gross Normal Cost			21.12%
Member Contributions			-4.54%
Employer Normal Cost			16.58%
UAAL Amortization			17.90%
Total Employer Rate			34.48%

Note - By agreement with the bargaining units, some agencies have agreed to pay all or a portion of the required Member Contribution

TABLE 2 - CalPERS

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (CalPERS) VARIOUS PLANS**

Date of Report(s)	June 30, 2010		
Defined Benefit Programs (only)			
Membership (excluding Legislators and Judges)			
Active and Inactive			1,116,044
Retired & Beneficiaries			513,623
Total Membership			1,629,667
Plans:	Rate Tier	Formula	Type
Local	Misc.	2% @ 60	Contributory
Local	Misc.	2% @ 55	Contributory
Local	Misc.	2.5% @ 55	Contributory
Local	Misc.	2.7% @ 55	Contributory
Local	Misc.	3% @ 60	Contributory
Local	Safety	2% @ 50	Contributory
Local	Safety	2% @ 55	Contributory
Local	Safety	2.5% @ 55	Contributory
Local	Safety	3% @ 50	Contributory
Local	Safety	3% @ 55	Contributory
Annualized Payroll as of the Valuation Date:			
Annual Total			Not provided
Monthly Average			Not provided
Average Monthly Benefit to Current and Beneficiaries			Not provided
Expected Investment Return			7.75%
Inflation Factor			3.00%
Wage growth			3.25%
Asset Smoothing (subject to limits)			15 Years
UAAL amortization period			16 Years for Safety 31 Years for Misc.
Retirees cost of living increases (subject to CPI limitations)			2.00%, Compounded (Optional 3%, 4% or 5%)
Actuarial Accrued Liability			By Plan or Pool
Valuation date of Assets			June 30, 2009
Assets:			
Market Value of Fund			By Plan or Pool
Actuarial Value of Assets			By Plan or Pool
Funded Ratios:			
Market Value of Assets			By Plan or Pool
Actuarial Value of Assets			By Plan or Pool
Unfunded Accrued Liabilities:			
Unfunded Actuarial Accrued Liability			By Plan or Pool
Unfunded Market Value Actuarial Liability			By Plan or Pool
Required Employer contribution rate for all tiers combined as a percent of total payroll			
Gross Normal Cost			By Plan or Pool
Member Contributions			By Plan or Pool
Employer Normal Cost			By Plan or Pool
UAAL Amortization			By Plan or Pool
Total Employer Rate			By Plan or Pool

TABLE 3 CalSTRS

**CALIFORNIA STATE TEACHERS' RETIREMENT SYSTEM (CalSTRS) DEFINED  
BENEFIT PROGRAM**

Date of Report(s)	June 30, 2010		
Defined Benfit Program (only):			
Membership:			
Active		441,544	
Inactive		166,976	
Retired & Beneficiaries		235,215	
Disability Benefit Recipients		8,581	
Total Membership		852,316	
Plans:	Rate Tier	Formula	Type
	General	2% @ 60 (up to 2.4% at 63)	Contributory
Annualized Payroll as of the Valuation Date:			
Annual Total		\$ 27,327,000,000	
Monthly Average		\$ 2,277,250,000	
Average Monthly Benefit to Current and Beneficiaries	Not Provided		
Expected Investment Return	8.00%		
Inflation Factor	3.25%		
Wage growth	4.25%		
Interest on Accounts	6.00%		
Asset Smoothing (subject to limits)	3 Years		
UAAL amortization period	30 Years		
Retirees cost of living increases (subject to CPI limitations)	2.00%, Simple (80% - 85% purchasing power protection)		
Actuarial Accrued Liability		\$ 185,683,000,000	
Valuation date of Assets	June 30, 2009		
Assets:			
Market Value of Fund		(not provided)	
Actuarial Value of Assets		\$ 145,142,000,000	
Funded Ratios:			
Market Value of Assets		(not provided)	
Actuarial Value of Assets		78.00%	
Unfunded Accrued Liabilities:			
Unfunded Actuarial Accrued Liability		\$ 40,541,000,000	
Unfunded Market Value Actuarial Liability		(not provided)	
CALSTRS Contributions:			
Members:	Though 12-31-10	6.00%	
	Therafter	8.00%	
Employers		8.25%	
State		2.017% (subject to adjustment)	



TABLE 4

GLOSSARY OF ACTUARIAL TERMS

**Accrued Liability (also called Actuarial Accrued Liability or Entry Age Normal Accrued Liability)**

The total dollars needed as of the valuation date to fund all benefits earned in the past for current members

**Actuarial Assumptions**

Assumptions made about certain events that will effect pension costs. Assumptions generally can be broken down into two categories: demographic and economic. Demographic assumptions include such things as mortality, disability and retirement rates. Economic assumptions include investment return, salary growth and inflation.

**Actuarial Methods**

Procedures employed by actuaries to achieve certain goals of a pension plan. These may include things such as funding method, setting the length of time to fund the past service liability and determining the actual value of assets.

**Actuarial valuation**

The determination, as of a valuation date, of the normal cost, actuarial accrued liability, actuarial value of assets and related present values for a pension plan. These valuations are performed annually or when an employer is contemplating a change in plan provisions

**Actuarial Value of Assets**

The actuarial value of assets used for funding purposes is obtained through an asset smoothing technique where investment gains and losses are partially recognized in the year they are incurred, with the remainder recognize I subsequent years

**Amortization Basis**

Separate payment schedules for different portions of the unfunded liability. The total unfunded liability of a risk pool or non-pooled plan can be segregate by "cause", creating "bases" and each such base will be separately amortized and paid for over a period of time. This can be likned to a home mortgage that has 24 years of remaining payments and a second mortgage that has 10 years left. Each base or each mortgage note has its own terms (payment period, principal, etc.)

Generally in an actuarial valuation, the separate bases consist of changes in unfunded liability due to amendments, actuarial assumption changes, actuarial methodology changes, and gins and losses. Payment periods are determined by Board policy and vary based on the cause of the change

**Amortization Period**

The number of years required to pay off an amortization base.

**Annual Required Contribution (ARC)**

The employer's period require annual contributions to a defined benefit pension plan as set forth in GASB Statement No. 7, calculated in accordance with the plan assumptions. The ARC is determined by multiplying the employer contribution rate by the payroll reported to CalPERS for the applicable fiscal year. However, if this contribution is fully prepaid in a lump sum, then the dollar value of the ARC is equal the Lump Sum Prepayment.

**Entry Age**

The earliest age at which a plan member begins to accrue benefits under a defined benefit pension plan or risk pool. In most cases, this is age of the member on their date of hire.

**Entry Age Normal Cost method**

An actuarial cost method designed to fund a member's total plan benefit over the course of his or her career. This method is designed to yield a rate expressed as a level percentage of payroll.

(The assumed retirement age less the entry age is the amount of time required to fund a member's total benefit. Generally, the older a member on the date of hire, the greater the entry age normal cost. This is mainly because there is less time to earn investment income to fund future benefits.)



**TABLE 4**  
**GLOSSARY OF ACTUARIAL TERMS**

**Fresh Start**

A fresh start is the single amortization base created when multiple amortization bases are collapsed into one base and amortized over a new funding period.

**Funding Status**

A measure of how well funded a plan is. Or equivalently, how "on track" a plan is with respect to assets vs. accrued liabilities. A ratio greater than 100% means the plan or risk pool has more assets than liabilities and a ratio less than 100% means liabilities are greater than assets. A funded ratio based on Actuarial value of Assets indicates the progress toward fully funding the plan using actuarial cost methods and assumptions. A funded ratio based on Market value of Assets indicates the short-term solvency of the plan.

**GASB 27**

Statement No. 27 of the Governmental Accounting Standards Board. The accounting standard governing a state or local governmental employer's accounting for pensions.

**Lump Sum Contribution**

A contribution made by the employer to reduce or eliminate the unfunded liability.

**Normal Cost**

The annual cost of service accrual for the upcoming fiscal year for active employees. The normal cost should be viewed as the long term contribution rate.

**Pension Actuary**

A person who is responsible for the calculations necessary to properly fund a pension plan.

**Prepayment Contribution**

A payment made by the employer to reduce or eliminate the year's required employer contribution.

**Present Value of Benefits**

The total dollars needed as of the valuation date to fund all benefits earned in the past or expected to be earned in the future for *current* members.

**Rolling Amortization Period**

An amortization period that remains the same each year rather than declining.

**Overfunded**

A condition existing when the actuarial value of assets exceeds the present value of benefits. When this condition exists on a given valuation date for a given plan, employee contributions of the rate covered by that valuation may be waived.

**Unfunded Liability or Unfunded Accrued Liability (UAL)**

A plan with an actuarial value of assets below the accrued liability is said to have an unfunded liability and must temporarily increase contributions to get back on schedule.

*Source: CalPERS Actuarial Valuation for Required Contributions for Fiscal Year July 1, 2011 - June 30, 2012*

The 2010-11 Santa Barbara County Civil Grand Jury

**CERTIFICATE OF SERVICE**

The undersigned, under penalty of perjury, does hereby certify that a Transmittal Letter and report titled "**Local Government Post Employment Benefits in Santa Barbara County – Complicated and Costly**" from the 2010-11 Santa Barbara County Civil Grand Jury was delivered this day.

To: City Manager  
City of Santa Barbara  
735 Anacapa Street  
Santa Barbara, CA 93101

Name of person accepting

Deborah G. Bach

Signature:

Deborah G. Bach

Title:

Executive Assistant to Mayor/Council

At:

735 ANACAPA St.  
Street address

SB  
City

, California

Date Delivered

June 16 2011

Time Delivered

4:15pm

Signature of Juror

[Signature]

September 13, 2011

Honorable Arthur A. Garcia  
Assistant Presiding Judge  
Santa Barbara Superior Court  
312 East Cook Street  
Post Office Box 5369  
Santa Maria, California 93456-5369

Reference: Response to Santa Barbara Civil Grand Jury Report Titled "*Local Government Post Employment Benefits in Santa Barbara County – Complicated and Costly*" (Published June 23, 2011 on Jury Web Site)

Judge Garcia:

The City of Santa Barbara City Council is providing its responses to the above-referenced Civil Grand Jury Report.

The City appreciates the effort of the Grand Jury and recognizes the importance of understanding the obligations related to post-employment benefits and their long-term impacts on the finances of government agencies. The City Council is committed to maintaining excellent service to our residents and the financial health of the City.

In accordance with the Grand Jury's direction, answers are provided below pursuant to Section 933.05 of the California Penal Code.

### **Findings, Recommendations and Responses**

#### Finding 2a:

"As of June 2010, public agencies in Santa Barbara had a total unfunded actuarial liability of for post-employment healthcare of approximately \$316,000,000."

#### City Response:

The Council agrees with the finding.

#### Finding (2b):

"Some agencies pay all or a portion of the healthcare premium costs for employees."

City Response:

The Council agrees with the finding.

Finding (2c):

“For the most part, local agency healthcare benefits are pay as you go, and are not structured on a prefunded basis like defined benefit pension plans.”

City Response:

The Council agrees with the finding.

Recommendation (2a):

“That, no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that contributes some or part of healthcare premium for employees, adopt an implementation plan to reduce those contributions.”

City Response:

Because of collective bargaining requirements imposed by state law and legally mandated vesting of benefits, the City may not be in a position to reduce all payments to current retirees for health care. Over the longer term, the City will work with labor groups and ensure these benefits are controlled so as to limit the City’s future obligations.

Recommendation 2b:

“That, no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that provides healthcare premiums for employees, implement prefunding their current unfunded healthcare liability.”

City Response:

While the City recognizes the advantage of prefunding post-employment benefits, the current economic and budget environment preclude the City from allocating the required financial resources to address these liabilities by January 1, 2012. However, when the City’s current fiscal constraints are resolved and additional resources become available, the City intends to initiate a prefunding plan.

Finding 3

As of June 2010, public agencies in Santa Barbara County had a total liability for compensated absences of nearly \$61,000,000.

City Response:

The Council agrees with the finding. However, the scheduled compiled by the Grand Jury (Exhibit 4C) shows a total of \$59,471,050.

Recommendation 3

“That no later than January 1, 2012, in the best interest of ratepayers and taxpayers, each government agency that has compensated absences liabilities, adopt an implementation plan to reduce the agency’s compensated absences liability.”

City Response:

The City’s share of the amount reported in Exhibit 4C is \$3.8 million, representing accrued sick leave. The City is evaluating various options for advance funding the sick leave benefits that are expected to be paid at retirement. Because of the current fiscal constraints facing the City, such a plan will require additional resources that are currently not available. It will also need to be considered in the context of other unfunded liabilities associated with post-employment benefits. In addition, while the City recognizes the importance of limiting the City’s liability for accrued sick leave, any reduction in sick leave benefits is subject collective bargaining.

Sincerely,

James Armstrong, City Administrator  
City of Santa Barbara

Cc: Santa Barbara County Board of Supervisors  
Santa Barbara City Mayor & Council

Robert Samario, Finance Director  
Marcelo Lopez, Assistant City Administrator  
Paul Casey, Assistant City Administrator



# CITY OF SANTA BARBARA

## REDEVELOPMENT AGENCY BOARD AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Redevelopment Agency Board

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Redevelopment Agency Fiscal Year 2012 Interim Financial Statements For The One Month Ended July 31, 2011

### **RECOMMENDATION:**

That Redevelopment Agency Board Accept the Redevelopment Agency Fiscal Year 2012 Interim Financial Statements for the One Month Ended July 31, 2011.

### **DISCUSSION:**

The interim financial statements for the one month ended July 31, 2011 (8.3% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the Redevelopment Agency's General, Housing, and Capital Projects Funds.

**ATTACHMENT:** Redevelopment Agency Interim Financial Statements for the One Month Ended July 31, 2011

**PREPARED BY:** Ruby Carrillo, Accounting Manager

**SUBMITTED BY:** Robert Samario, Fiscal Officer

**APPROVED BY:** City Administrator's Office

REDEVELOPMENT AGENCY  
OF THE  
CITY OF SANTA BARBARA

INTERIM FINANCIAL STATEMENTS  
FISCAL YEAR 2012  
FOR THE ONE MONTH  
ENDED JULY 31, 2011

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**

**General Fund**

**Interim Statement of Revenues, Expenditures and Encumbrances**

**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 16,203,700	\$ -	\$ -	\$ 16,203,700	0.00%
Investment Income	200,000	26,791	-	173,209	13.40%
Overnight Accommodation Mitigation Fee	1,500	-	-	1,500	0.00%
Rents	72,000	-	-	72,000	0.00%
<b>Total Revenues</b>	<u>16,477,200</u>	<u>26,791</u>	<u>-</u>	<u>16,450,409</u>	<u>0.16%</u>
Use of Fund Balance	1,769,499	147,465	-	-	8.33%
<b>Total Sources</b>	<u>\$ 18,246,699</u>	<u>\$ 174,256</u>	<u>\$ -</u>	<u>\$ 16,450,409</u>	<u>0.96%</u>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 2,000	\$ 80	\$ -	\$ 1,920	4.00%
Mapping, Drafting & Presentation	250	-	-	250	0.00%
Janitorial & Hshld Supplies	100	-	-	100	0.00%
Minor Tools	100	-	-	100	0.00%
Special Supplies & Expenses	4,000	233	-	3,767	5.83%
Building Materials	100	-	-	100	0.00%
Equipment Repair	1,000	-	-	1,000	0.00%
Professional Services - Contract	784,794	45,723	-	739,071	5.83%
Legal Services	162,250	13,190	-	149,060	8.13%
Engineering Services	20,000	695	-	19,305	3.48%
Non-Contractual Services	12,000	-	-	12,000	0.00%
Meeting & Travel	7,500	-	-	7,500	0.00%
Mileage Reimbursement	300	-	-	300	0.00%
Dues, Memberships, & Licenses	16,000	-	-	16,000	0.00%
Publications	1,000	-	-	1,000	0.00%
Training	7,500	-	-	7,500	0.00%
Advertising	1,000	-	-	1,000	0.00%
Printing and Binding	1,000	-	-	1,000	0.00%
Postage/Delivery	1,000	251	-	749	25.10%
Vehicle Fuel	1,300	30	-	1,270	2.31%
<b>Total Supplies &amp; Services</b>	<u>1,023,194</u>	<u>60,202</u>	<u>-</u>	<u>962,992</u>	<u>5.88%</u>
Allocated Costs:					
Desktop Maint Replacement	20,435	1,703	-	18,732	8.33%
GIS Allocations	4,754	396	-	4,358	8.33%
Building Maintenance	1,650	138	-	1,512	8.36%
Planned Maintenance Program	3,984	332	-	3,652	8.33%
Vehicle Replacement	721	60	-	661	8.32%
Vehicle Maintenance	241	20	-	221	8.30%
Telephone	2,061	172	-	1,889	8.35%
Custodial	3,443	287	-	3,156	8.34%
Communications	2,878	240	-	2,638	8.34%
Property Insurance	5,095	425	-	4,670	8.34%
Allocated Facilities Rent	6,313	526	-	5,787	8.33%
Overhead Allocation	579,719	48,310	-	531,409	8.33%
<b>Total Allocated Costs</b>	<u>631,294</u>	<u>52,609</u>	<u>-</u>	<u>578,685</u>	<u>8.33%</u>
Special Projects	1,765,783	65,265	26,215	1,674,303	5.18%
Transfers	13,691,942	514,723	-	13,177,219	3.76%
Grants	1,036,986	-	28,011	1,008,975	2.70%
Equipment	6,000	-	-	6,000	0.00%
Fiscal Agent Charges	11,500	-	-	11,500	0.00%
Appropriated Reserve	80,000	-	-	80,000	0.00%
<b>Total Expenditures</b>	<u>\$ 18,246,699</u>	<u>\$ 692,799</u>	<u>\$ 54,226</u>	<u>\$ 17,499,674</u>	<u>4.09%</u>



**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**

**Housing Fund**

**Interim Statement of Revenues, Expenditures and Encumbrances**

**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 4,050,900	\$ -	\$ -	\$ 4,050,900	0.00%
Investment Income	60,000	12,686	-	47,314	21.14%
Interest Loans	200,000	35,599	-	164,401	17.80%
Miscellaneous	<u>2,000</u>	<u>-</u>	<u>-</u>	<u>2,000</u>	0.00%
<b>Total Revenues</b>	<u>4,312,900</u>	<u>48,285</u>	<u>-</u>	<u>4,264,615</u>	1.12%
Use of Fund Balance	<u>6,704,367</u>	<u>558,697</u>	<u>-</u>	<u>-</u>	8.33%
<b>Total Sources</b>	<u>\$ 11,017,267</u>	<u>\$ 606,982</u>	<u>\$ -</u>	<u>\$ 4,264,615</u>	5.51%
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 1,800	\$ 80	\$ -	\$ 1,720	4.44%
Special Supplies & Expenses	1,000	12	-	988	1.20%
Equipment Repair	500	-	-	500	0.00%
Professional Services - Contract	713,018	49,573	-	663,445	6.95%
Non-Contractual Services	2,000	-	-	2,000	0.00%
Meeting & Travel	1,000	1,745	-	(745)	174.50%
Dues, Memberships, & Licenses	1,500	50	-	1,450	3.33%
Training	2,000	-	-	2,000	0.00%
Postage/Delivery	<u>600</u>	<u>25</u>	<u>-</u>	<u>575</u>	4.17%
<b>Total Supplies &amp; Services</b>	<u>723,418</u>	<u>51,485</u>	<u>-</u>	<u>671,933</u>	7.12%
Allocated Costs:					
Desktop Maintenance Replacement	6,780	565	-	6,215	8.33%
GIS Allocations	3,170	264	-	2,906	8.33%
Building Maintenance	1,650	138	-	1,512	8.36%
Planned Maintenance Program	4,058	338	-	3,720	8.33%
Vehicle Replacement	482	40	-	442	8.30%
Vehicle Maintenance	96	8	-	88	8.33%
Telephone	1,030	86	-	944	8.35%
Custodial	3,507	292	-	3,215	8.33%
Communications	1,151	96	-	1,055	8.34%
Allocated Facilities Rent	6,432	536	-	5,896	8.33%
Overhead Allocation	<u>111,359</u>	<u>9,280</u>	<u>-</u>	<u>102,079</u>	8.33%
<b>Total Allocated Costs</b>	<u>139,715</u>	<u>11,643</u>	<u>-</u>	<u>128,072</u>	8.33%
Transfers	5,330	444	-	4,886	8.33%
Equipment	2,500	-	-	2,500	0.00%
Housing Activity	9,432,239	-	-	9,432,239	0.00%
Principal	490,000	490,000	-	-	100.00%
Interest	142,765	75,058	-	67,707	52.57%
Fiscal Agent Charges	1,300	-	-	1,300	0.00%
Appropriated Reserve	<u>80,000</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	0.00%
<b>Total Expenditures</b>	<u>\$ 11,017,267</u>	<u>\$ 628,630</u>	<u>\$ -</u>	<u>\$ 10,388,637</u>	5.71%

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**Capital Projects Fund**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Transfers-In	\$ 6,133,868	\$ 511,156	\$ -	\$ 5,622,712	8.33%
<b>Total Revenues</b>	<u>6,133,868</u>	<u>511,156</u>	<u>-</u>	<u>5,622,712</u>	<u>8.33%</u>
Use of Fund Balance	13,001,460	1,083,463	-	11,917,997	8.33%
<b>Total Sources</b>	<u>\$ 19,135,328</u>	<u>\$ 1,594,619</u>	<u>\$ -</u>	<u>\$ 17,540,709</u>	<u>8.33%</u>
<b>Expenditures:</b>					
<b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	9,511	-	-	9,511	0.00%
Underground Tank Abatement	69,181	-	-	69,181	0.00%
Phase II - E Cabrillo Sidewalks	205,334	11,537	51,288	142,509	30.60%
Fire Station #1 EOC	1,721	-	-	1,721	0.00%
Fire Station #1 Remodel	7,179	-	7,179	-	100.00%
Soil Remediation - 125 State St	262,932	-	2,380	260,552	0.91%
<b>Construction Phase</b>					
Chase Palm Park Light/Electric	536,489	170	232,957	303,362	43.45%
Chase Palm Park Playground Replcmt	200,000	-	-	200,000	0.00%
DP Structure (9,10) Const. Imprvmt	1,258,440	1,154	902,611	354,675	71.82%
<b>Design Phase</b>					
Plaza Del Mar Restroom Renovation	204,046	-	-	204,046	0.00%
Pershing Park Restroom Renovation	115,041	-	-	115,041	0.00%
Parking Lot Capital Improvements	179,890	-	36,130	143,760	20.08%
Library Plaza Renovation	68,478	17,042	51,436	-	100.00%
Lower West Downtown Street Lighting	726,512	4,468	288,896	433,148	40.38%
<b>Planning Phase</b>					
Panhandling Edu. & Alt. Giving	16,429	-	16,429	-	100.00%
PD Locker Room Upgrade	6,989,173	26,670	34,638	6,927,865	0.88%
PD Annex Lease Cost	152,580	29,861	-	122,719	19.57%
925 De La Vina Rental Costs	81,432	39,423	-	42,009	48.41%
Opportunity Acquisition Fund	366,500	-	-	366,500	0.00%
RDA Project Contingency Account	7,041,537	-	-	7,041,537	0.00%
Housing Fund Contingency Account	348,455	-	-	348,455	0.00%
Cabrillo Pav Arts Ctr Assessment St	248,898	-	-	248,898	0.00%
State St Pedestrian Amenities Pilot	45,570	-	2,060	43,510	4.52%
<b>Total Expenditures</b>	<u>\$ 19,135,328</u>	<u>\$ 130,325</u>	<u>\$ 1,626,004</u>	<u>\$ 17,378,999</u>	<u>9.18%</u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**RDA Bonds - Series 2001A**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 20	\$ -	\$ (20)	100.00%
<b>Total Revenues</b>	-	20	-	(20)	100.00%
 Use of Fund Balance	 2,061,831	 171,820	 -	 1,890,011	 8.33%
<b>Total Sources</b>	<u><u>\$ 2,061,831</u></u>	<u><u>\$ 171,840</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,889,991</u></u>	<u><u>8.33%</u></u>
 <b>Expenditures:</b>					
<b>Capital Outlay:</b>					
<b>Finished</b>					
Brinkerhoff Lighting	\$ 97,130	\$ 208	\$ 4,100	\$ 92,822	4.44%
 <b>Design Phase</b>					
Mission Creek Flood Control @ Depot	1,964,701	-	-	1,964,701	0.00%
<b>Total Expenditures</b>	<u><u>\$ 2,061,831</u></u>	<u><u>\$ 208</u></u>	<u><u>\$ 4,100</u></u>	<u><u>\$ 2,057,523</u></u>	<u><u>0.21%</u></u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**RDA Bonds - Series 2003A**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the One Month Ended July 31, 2011 (8.3% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 99	\$ -	\$ (99)	100.00%
<b>Total Revenues</b>	-	99	-	(99)	100.00%
Use of Fund Balance	11,186,873	932,246	-	10,254,627	8.33%
<b>Total Sources</b>	<u>\$ 11,186,873</u>	<u>\$ 932,345</u>	<u>\$ -</u>	<u>\$ 10,254,528</u>	8.33%
<b>Expenditures:</b>					
<b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	\$ 816	\$ -	\$ 816	\$ -	100.00%
West Beach Pedestrian Improvements	180,894	3,840	100,771	76,283	57.83%
Anapamu Open Space Enhancements	2,464	-	-	2,464	0.00%
Westside Center Park Improvement	-	-	776	(776)	100.00%
West Downtown Improvement	288,258	-	-	288,258	0.00%
<b>Construction Phase</b>					
Fire Department Administration	2,787,872	59,872	1,789,611	938,389	66.34%
DP Structure #2, 9, 10 Improvements	22,719	-	14,259	8,460	62.76%
Carrillo Rec Ctr Restoration	1,562,007	9,226	222,633	1,330,148	14.84%
<b>Design Phase</b>					
Helena Parking Lot Development	360,892	5,499	297,443	57,950	83.94%
Plaza De La Guerra Infrastructure	2,158,039	6,426	74,014	2,077,599	3.73%
Chase Palm Park Restroom Renovation	185,687	-	-	185,687	0.00%
Library Plaza Renovation	97,243	642	83,223	13,378	86.24%
Artist Workspace	524,692	-	-	524,692	0.00%
<b>Planning Phase</b>					
Mission Creek Flood Control @ Depot	535,299	-	-	535,299	0.00%
Mission Creek Flood Control - Park Development	730,143	2,000	-	728,143	0.27%
Downtown Sidewalks	79,848	120	-	79,728	0.15%
Chase Palm Park Wisteria Arbor	835,000	-	-	835,000	0.00%
<b>On-Hold Status</b>					
Visitor Center Condo Purchase	500,000	-	-	500,000	0.00%
Lower State Street Sidewalks	335,000	-	-	335,000	0.00%
<b>Total Expenditures</b>	<u>\$ 11,186,873</u>	<u>\$ 87,625</u>	<u>\$ 2,583,546</u>	<u>\$ 8,515,702</u>	23.88%



# CITY OF SANTA BARBARA

## REDEVELOPMENT AGENCY BOARD AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Redevelopment Agency Board

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Redevelopment Agency Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011

### **RECOMMENDATION:**

That Redevelopment Agency Board Accept the Redevelopment Agency Fiscal Year 2011 Interim Financial Statements for the Twelve Months Ended June 30, 2011.

### **DISCUSSION:**

The interim financial statements for the twelve months ended June 30, 2011 (100% of the fiscal year) are attached. The interim financial statements include budgetary activity in comparison to actual activity for the Redevelopment Agency's General, Housing, and Capital Projects Funds.

**ATTACHMENT:** Redevelopment Agency Interim Financial Statements for the Twelve Months Ended June 30, 2011

**PREPARED BY:** Ruby Carrillo, Accounting Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

REDEVELOPMENT AGENCY  
OF THE  
CITY OF SANTA BARBARA

INTERIM FINANCIAL STATEMENTS  
FISCAL YEAR 2011  
FOR THE TWELVE MONTHS  
ENDED JUNE 30, 2011

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**

**General Fund**

**Interim Statement of Revenues, Expenditures and Encumbrances  
For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<b>Annual Budget</b>	<b>Year-to-date Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 16,071,200	\$ 15,965,306	\$ -	\$ 105,894	99.34%
Investment Income	160,000	215,057	-	(55,057)	134.41%
Interest Loans	5,000	49,783	-	(44,783)	995.66%
Overnight Accommodation Mitigation Fee	-	1,563	-	(1,563)	0.00%
Rents	22,800	25,169	-	(2,369)	110.39%
Miscellaneous	-	7,500	-	(7,500)	0.00%
<b>Total Revenues</b>	<b>16,259,000</b>	<b>16,264,378</b>	<b>-</b>	<b>(5,378)</b>	<b>100.03%</b>
Use of Fund Balance	1,352,847	1,352,847	-	-	100.00%
<b>Total Sources</b>	<b>\$ 17,611,847</b>	<b>\$ 17,617,225</b>	<b>\$ -</b>	<b>\$ (5,378)</b>	<b>100.03%</b>
<b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 3,000	\$ 1,241	\$ -	\$ 1,759	41.37%
Mapping, Drafting & Presentation	250	-	-	250	0.00%
Janitorial & Hshld Supplies	100	-	-	100	0.00%
Minor Tools	100	-	-	100	0.00%
Special Supplies & Expenses	5,000	1,921	-	3,079	38.42%
Building Materials	100	-	-	100	0.00%
Equipment Repair	1,000	509	-	491	50.90%
Professional Services - Contract	747,938	634,945	2,560	110,433	85.24%
Legal Services	154,508	173,181	-	(18,673)	112.09%
Engineering Services	20,000	35,117	-	(15,117)	175.59%
Non-Contractual Services	12,000	3,789	-	8,211	31.58%
Meeting & Travel	7,500	591	-	6,909	7.88%
Mileage Reimbursement	300	-	-	300	0.00%
Dues, Memberships, & Licenses	15,000	14,092	-	908	93.95%
Publications	1,500	193	-	1,307	12.87%
Training	7,500	2,288	-	5,212	30.51%
Advertising	2,000	-	-	2,000	0.00%
Printing and Binding	3,000	187	-	2,813	6.23%
Postage/Delivery	1,000	619	-	381	61.90%
Non-Allocated Telephone	500	-	-	500	0.00%
Vehicle Fuel	1,300	434	-	866	33.38%
Equipment Rental	500	-	-	500	0.00%
<b>Total Supplies &amp; Services</b>	<b>984,096</b>	<b>869,107</b>	<b>2,560</b>	<b>112,429</b>	<b>88.58%</b>
Allocated Costs:					
Desktop Maint Replacement	23,616	23,616	-	-	100.00%
GIS Allocations	4,754	4,754	-	-	100.00%
Building Maintenance	1,899	1,899	-	-	100.00%
Planned Maintenance Program	3,984	3,984	-	-	100.00%
Vehicle Replacement	3,934	3,934	-	-	100.00%
Vehicle Maintenance	3,874	3,874	-	-	100.00%
Telephone	2,212	2,212	-	-	100.00%
Custodial	4,310	4,310	-	-	100.00%
Communications	3,706	3,706	-	-	100.00%
Property Insurance	6,897	6,897	-	-	100.00%
Allocated Facilities Rent	6,770	6,770	-	-	100.00%
Overhead Allocation	623,829	623,829	-	-	100.00%
<b>Total Allocated Costs</b>	<b>689,785</b>	<b>689,785</b>	<b>-</b>	<b>-</b>	<b>100.00%</b>
Special Projects	2,355,944	1,979,967	26,215	349,762	85.15%
Transfers	12,390,249	12,390,247	-	2	100.00%
Grants	1,106,003	69,016	28,011	1,008,976	8.77%
Equipment	8,070	697	-	7,373	8.64%
Fiscal Agent Charges	11,500	6,436	-	5,064	55.97%
Appropriated Reserve	66,200	-	-	66,200	0.00%
<b>Total Expenditures</b>	<b>\$ 17,611,847</b>	<b>\$ 16,005,255</b>	<b>\$ 56,786</b>	<b>\$ 1,549,806</b>	<b>91.20%</b>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**

**Housing Fund**

**Interim Statement of Revenues, Expenditures and Encumbrances**

**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Incremental Property Taxes	\$ 4,017,800	\$ 3,991,326	\$ -	\$ 26,474	99.34%
Investment Income	60,000	51,174	-	8,826	85.29%
Interest Loans	200,000	464,742	-	(264,742)	232.37%
Miscellaneous	-	2,864	-	(2,864)	100.00%
<b>Total Revenues</b>	<u>4,277,800</u>	<u>4,510,106</u>	<u>-</u>	<u>(232,306)</u>	<u>105.43%</u>
 Use of Fund Balance	 <u>6,520,938</u>	 <u>6,520,938</u>	 <u>-</u>	 <u>-</u>	 <u>100.00%</u>
<b>Total Sources</b>	<u>\$ 10,798,738</u>	<u>\$ 11,031,044</u>	<u>\$ -</u>	<u>\$ (232,306)</u>	<u>102.15%</u>
 <b>Expenditures:</b>					
Material, Supplies & Services:					
Office Supplies & Expense	\$ 1,800	\$ 1,100	\$ -	\$ 700	61.11%
Special Supplies & Expenses	1,800	1,154	-	646	64.11%
Equipment Repair	500	504	-	(4)	100.80%
Professional Services - Contract	737,975	643,925	-	94,050	87.26%
Non-Contractual Services	2,000	3,236	-	(1,236)	161.80%
Meeting & Travel	1,000	703	-	297	70.30%
Dues, Memberships, & Licenses	2,025	2,283	-	(258)	112.74%
Publications	200	130	-	70	65.00%
Training	1,000	838	-	162	83.80%
Postage/Delivery	200	577	-	(377)	288.50%
<b>Total Supplies &amp; Services</b>	<u>748,500</u>	<u>654,450</u>	<u>-</u>	<u>94,050</u>	<u>87.43%</u>
 Allocated Costs:					
Desktop Maintenance Replacement	7,085	7,085	-	-	100.00%
GIS Allocations	2,377	2,377	-	-	100.00%
Building Maintenance	950	950	-	-	100.00%
Planned Maintenance Program	2,361	2,361	-	-	100.00%
Telephone	691	691	-	-	100.00%
Custodial	2,189	2,189	-	-	100.00%
Communications	1,235	1,235	-	-	100.00%
Insurance	141	141	-	-	100.00%
Allocated Facilities Rent	4,013	4,013	-	-	100.00%
Overhead Allocation	163,175	163,175	-	-	100.00%
<b>Total Allocated Costs</b>	<u>184,217</u>	<u>184,217</u>	<u>-</u>	<u>-</u>	<u>100.00%</u>
 Equipment	 2,500	 651	 -	 1,849	 26.04%
Housing Activity	9,145,626	2,441,259	-	6,704,367	26.69%
Principal	480,000	480,000	-	-	100.00%
Interest	156,595	156,595	-	-	100.00%
Fiscal Agent Charges	1,300	1,265	-	35	97.31%
Appropriated Reserve	80,000	-	-	80,000	0.00%
<b>Total Expenditures</b>	<u>\$ 10,798,738</u>	<u>\$ 3,918,437</u>	<u>\$ -</u>	<u>\$ 6,880,301</u>	<u>36.29%</u>



**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**Capital Projects Fund**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Transfers-In	\$ 4,876,865	\$ 4,876,865	\$ -	\$ -	100.00%
<b>Total Revenues</b>	<u>4,876,865</u>	<u>4,876,865</u>	<u>-</u>	<u>-</u>	<u>100.00%</u>
Use of Fund Balance	11,818,085	11,818,085	-	-	100.00%
<b>Total Sources</b>	<u>\$ 16,694,950</u>	<u>\$ 16,694,950</u>	<u>\$ -</u>	<u>\$ -</u>	<u>100.00%</u>
<b>Expenditures:</b>					
Arbitrage Rebate	\$ 440,000	\$ -	\$ -	\$ 440,000	0.00%
Grant - HACSB 1020 Placido Avenue	865,000	865,000	-	-	100.00%
<b>Total Non-Capital Expenditures</b>	<u>1,305,000</u>	<u>865,000</u>	<u>-</u>	<u>440,000</u>	<u>66.28%</u>
<b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	9,511	-	-	9,511	0.00%
Underground Tank Abatement	69,181	-	-	69,181	0.00%
Phase II - E Cabrillo Sidewalks	590,226	384,892	54,688	150,646	74.48%
Fire Station #1 EOC	3,213	1,492	-	1,721	46.44%
Fire Station #1 Remodel	27,864	20,685	7,179	-	100.00%
Soil Remediation - 125 State St	370,063	107,131	2,380	260,552	29.59%
<b>Construction Phase</b>					
Chase Palm Park Light/Electric	568,577	32,088	232,957	303,532	46.62%
DP Structure (9,10) Const. Imprvmt	2,250,000	991,560	902,611	355,829	84.19%
Carrillo Rec Center Restoration	122,089	122,089	-	-	100.00%
<b>Design Phase</b>					
Parking Lot Capital Improvements	188,715	121,446	36,130	31,139	83.50%
Library Plaza Renovation	68,478	-	-	68,478	0.00%
Lower West Downtown Street Lighting	750,000	23,488	288,896	437,616	41.65%
<b>Planning Phase</b>					
Plaza Del Mar Restroom Renovation	212,000	7,954	-	204,046	3.75%
Pershing Park Restroom Renovation	120,000	4,959	-	115,041	4.13%
Panhandling Edu. & Alt. Giving	75,000	58,571	16,429	-	100.00%
PD Locker Room Upgrade	7,149,682	160,509	34,638	6,954,535	2.73%
PD Annex Lease Cost	277,200	124,620	-	152,580	44.96%
925 De La Vina Rental Costs	302,906	221,474	-	81,432	73.12%
Opportunity Acquisition Fund	366,500	-	-	366,500	0.00%
RDA Project Contingency Account	1,220,290	-	-	1,220,290	0.00%
Housing Fund Contingency Account	348,455	-	-	348,455	0.00%
Cabrillo Pav Arts Ctr Assessment St	250,000	1,102	-	248,898	0.44%
State St Pedestrian Amenities Pilot	50,000	4,430	2,060	43,510	12.98%
<b>Total Expenditures</b>	<u>\$ 16,694,950</u>	<u>\$ 3,253,490</u>	<u>\$ 1,577,968</u>	<u>\$ 11,863,492</u>	<u>28.94%</u>

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**  
**RDA Bonds - Series 2001A**  
**Interim Statement of Revenues, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 289	\$ -	\$ (289)	100.00%
Transfers-In	-	4,545,554	-	(4,545,554)	100.00%
<b>Total Revenues</b>	-	4,545,843	-	(4,545,843)	100.00%
 Use of Fund Balance	 3,145,943	 3,145,943	 -	 -	 100.00%
<b>Total Sources</b>	<u><u>\$ 3,145,943</u></u>	<u><u>\$ 7,691,786</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (4,545,843)</u></u>	244.50%
 <b>Expenditures:</b>					
Interest	\$ -	\$ 1,530,554	\$ -	(1,530,554)	100.00%
Principal	-	3,015,000	-	(3,015,000)	100.00%
<b>Total Non-Capital Expenditures</b>	-	4,545,554	-	(4,545,554)	100.00%
 <b>Capital Outlay:</b>					
<b>Finished</b>					
Brinkerhoff Lighting	\$ 181,242	\$ 84,112	\$ 4,100	\$ 93,030	48.67%
 <b>Construction Phase</b>					
Carrillo Rec Center Restoration	1,000,000	1,000,000	-	-	100.00%
 <b>Design Phase</b>					
Mission Creek Flood Control @ Depot	1,964,701	-	-	1,964,701	0.00%
<b>Total Expenditures</b>	<u><u>\$ 3,145,943</u></u>	<u><u>\$ 5,629,666</u></u>	<u><u>\$ 4,100</u></u>	<u><u>\$ (2,487,823)</u></u>	179.08%

**REDEVELOPMENT AGENCY OF THE CITY OF SANTA BARBARA**

**RDA Bonds - Series 2003A**

**Interim Statement of Revenues, Expenditures and Encumbrances  
For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>Year-to-date Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>Revenues:</b>					
Investment Income	\$ -	\$ 1,347	\$ -	\$ (1,347)	100.00%
Transfers-In	-	2,967,828	-	(2,967,828)	100.00%
Miscellaneous	-	10	-	(10)	100.00%
<b>Total Revenues</b>	-	2,969,185	-	(2,969,185)	100.00%
 Use of Fund Balance	 14,120,129	 14,120,129	 -	 -	 100.00%
<b>Total Sources</b>	<b>\$ 14,120,129</b>	<b>\$ 17,089,314</b>	<b>\$ -</b>	<b>\$ (2,969,185)</b>	<b>121.03%</b>
 <b>Expenditures:</b>					
Interest	\$ -	\$ 992,830	\$ -	\$ (992,830)	100.00%
Principal	-	1,975,000	-	(1,975,000)	100.00%
<b>Total Non-Capital Expenditures</b>	-	2,967,830	-	(2,967,830)	100.00%
 <b>Capital Outlay:</b>					
<b>Finished</b>					
IPM - Sustainable Park Improvements	\$ 816	\$ -	\$ 816	\$ -	100.00%
West Beach Pedestrian Improvements	422,673	241,779	99,721	81,173	80.80%
Anapamu Open Space Enhancements	2,464	-	-	2,464	0.00%
Westside Center Park Improvement	176,414	177,471	776	(1,833)	101.04%
West Downtown Improvement	788,535	500,277	5,074	283,184	64.09%
 <b>Construction Phase</b>					
Fire Department Administration	3,582,781	794,909	1,799,885	987,987	72.42%
DP Structure #2, 9, 10 Improvements	87,661	64,942	14,259	8,460	90.35%
Carrillo Rec Ctr Restoration	2,349,569	787,562	239,574	1,322,433	43.72%
 <b>Design Phase</b>					
Helena Parking Lot Development	489,462	128,570	297,443	63,449	87.04%
Plaza De La Guerra Infrastructure	2,226,069	68,030	72,697	2,085,342	6.32%
Library Plaza Renovation	150,000	52,757	151,701	(54,458)	136.31%
Artist Workspace	525,419	727	-	524,692	0.14%
 <b>Planning Phase</b>					
Mission Creek Flood Control @ Depot	535,299	-	-	535,299	0.00%
Mission Creek Flood Control - Park Development	751,367	21,224	-	730,143	2.82%
Chase Palm Park Restroom Renovation	186,600	913	-	185,687	0.49%
Downtown Sidewalks	175,000	95,152	-	79,848	54.37%
Chase Palm Park Wisteria Arbor	835,000	-	-	835,000	0.00%
 <b>On-Hold Status</b>					
Visitor Center Condo Purchase	500,000	-	-	500,000	0.00%
Lower State Street Sidewalks	335,000	-	-	335,000	0.00%
 <b>Total Expenditures</b>	<b>\$ 14,120,129</b>	<b>\$ 5,902,143</b>	<b>\$ 2,681,946</b>	<b>\$ 5,536,040</b>	<b>60.79%</b>



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Administration Division, Community Development Department

**SUBJECT:** Council Subcommittee On Homelessness And Community Relations

**RECOMMENDATION:** That Council:

- A. Support, in concept, the consolidation of Bringing Our Community Home, Common Ground Santa Barbara and the Regional Homeless Advisory Committees into a regional homeless collaborative, and direct Council and staff to participate in a planning workshop to be held in Fall 2011;
- B. Set aside Fiscal Year 2013 Human Services funding to pay the City's fair share of staffing costs of the homeless collaborative, with the expectation that other public government bodies will also step up with their fair share;
- C. If appropriate, offer in-kind office space on the South Coast for the homeless collaborative;
- D. Direct staff to work with the County of Santa Barbara Housing and Community Development Department on the selection of a new homeless management information system (HMIS);
- E. Direct Police Department staff to develop measurable outcomes for the Enhanced Restorative Policing Pilot Program and report semi-annually on the progress of meeting these outcomes, including any discernible changes in the neighborhood issues near Casa Esperanza; and
- F. Direct staff to complete Phase I of the *Real Change Not Spare Change* alternate giving campaign and suspend the implementation of Phase II.

**EXECUTIVE SUMMARY:**

On November 9, 2010, Council authorized the Subcommittee on Homelessness and Community Relations (Subcommittee) to reconvene for the purpose of reviewing the progress on the implementation of the twelve recommended strategies outlined in the *Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara (Strategies)* and to address the issue of meal provisions city-wide. The Subcommittee, comprised of Mayor Helene Schneider and council members Dale Francisco and Bendy White, met a total of seven times. Their meetings addressed food distribution, homeless coordination, data collection and the Common Ground

vulnerability survey. An update on the implementation of the *Strategies* was also provided and six of the twelve strategies were deemed completed by the Subcommittee (see Attachment 1).

The Subcommittee decided that it would be impractical to recommend a change in food distribution at this time due to the costs involved, the potential impact on other neighborhoods and the fact that access to services is already provided under the current model. The Subcommittee is optimistic that the neighborhood impacts of Casa Esperanza's noon meal provision will lessen due to the recent enhancement of the Restorative Policing Program.

The Subcommittee acknowledged that there is a need for one centralized unit or person to coordinate and take ownership of all activities related to homelessness. Therefore, they are recommending that the City support, in concept, the consolidation of Bringing Our Community Home and the Regional Homeless Advisory Committees into a regional homeless collaborative, and direct Council and staff to participate in a planning workshop to be held in the Fall. In addition, they are recommending that Council set aside Human Service funding to support staffing of this new homeless collaborative. In addition, if appropriate, the City could offer in-kind office space on the South Coast for the homeless collaborative.

The Subcommittee would also like to see City staff work with the County on the selection of a new Homeless Management Information System (HMIS) so that the City can easily access data on homelessness.

Finally, the Subcommittee reviewed the progress of the *Real Change Not Spare Change* alternate giving program and is recommending that Council direct staff to complete Phase I of the campaign and suspend the implementation of Phase II.

## **BACKGROUND:**

On June 17, 2008, the City Council established a Council Subcommittee, made up of three Council members (Chair Iya Falcone, Dale Francisco and Helene Schneider), to study a range of issues related to homeless services and neighborhood impacts. This committee was charged with making recommendations to the full Council, with input from community members, on strategies to address five identified issues.

A total of nine community meetings were held from July 2008 to January 2009. The subcommittee members gathered input from City staff, local businesses, homeless service providers, community members, and homeless persons. On February 24, 2009, Council approved the *Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara (Strategies)* and directed staff to implement the recommended strategies and return to the Council in 12 months with a status report.

On March 30, 2010, staff provided an update to Council on the twelve recommended strategies.

On November 9, 2010, Council authorized the subcommittee to reconvene within 60 days to review the progress on the implementation of the twelve recommended strategies and address the issue of meal provisions city-wide. Council also appointed Bendy White to the subcommittee to fill the vacancy left by Iya Falcone.

A total of seven meetings were held from December 2010 through August 2011. Three meetings focused exclusively on food distribution and included several stakeholders in the discussion. The final three meetings focused on homeless coordination, data collection and the Common Ground vulnerability survey. An update on the implementation of the *Strategies* was also provided (see Attachment 1).

## **DISCUSSION:**

### Food Distribution

Since the approval of the *Strategies* in 2009, there have been numerous discussions concerning the provision of meals to homeless persons and others in need. Specifically, questions regarding whether lunch should be served to the general homeless population in one centralized location or spread out to smaller locations in different areas of the City. The Council Subcommittee devoted three meetings to this topic and consulted with stakeholders from the Milpas Community Association, Casa Esperanza, Organic Soup Kitchen, County Environmental Health, Rescue Mission, St. Brigid's, Doctors without Walls, City of Goleta, City of Carpinteria, Santa Barbara Planning Commission, Downtown Organization, Salvation Army, and the Sheriff's Department.

Jennifer Bernstein from County Environmental Health presented six options for food distribution: permitted shelter kitchen, permitted food facility, hot truck, cold truck, temporary food facility and vending machines. The subcommittee asked a sub-group, including Casa Esperanza and Organic Soup Kitchen, to devise a food distribution model and present it to the full group.

After hearing the presentation from the sub-group, the Subcommittee decided that it was impractical to obtain sustainable funding (\$235,000 - \$280,000 per year) in this economic climate when funding for current programs is being reduced or eliminated. Other issues considered included the consequences of moving people away from a location that provides one-stop access to services, medical care, showers, restrooms and trash receptacles; and the potential impact on other neighborhoods by moving 100+ meals now served at Casa Esperanza to other locations, especially without adequate restroom and/or trash facilities.

Therefore, since the options presented were too costly and the food distribution needs are already being met, the Subcommittee is not recommending a change in food distribution at this time.

#### Enhanced Restorative Policing Pilot Program

The Redevelopment Agency Board approved a three-year Enhanced Restorative Policing Pilot Program, which will include the addition of a second officer to the program, three part-time outreach workers and six part-time community service liaisons. The outreach workers will work with the two full-time restorative police officers to identify and assist homeless persons with housing and services. The community service liaisons will be assigned in teams of two to State Street, Cabrillo Boulevard and Milpas Street to be the eyes and ears of the Restorative Policing Program as well as local merchants. This enhancement should, among other things, mitigate the impact of the noon meal provision at Casa Esperanza.

The Subcommittee is recommending that Council direct Police Department staff to develop measurable outcomes for the Enhanced Restorative Policing Pilot Program and report semi-annually on the progress of meeting these outcomes, including any discernible changes in the neighborhood issues near Casa Esperanza.

#### Homeless Coordination

There was much discussion at the subcommittee meetings regarding homeless coordination. It was mentioned several times that, as a community, we are 'program rich and coordination poor'. There is a need for one centralized unit or person to coordinate and take ownership of all activities related to homelessness. Staff gathered information about homeless coordinator positions in other jurisdictions and reported that it was difficult to find communities who had an employee working strictly on homeless issues, with the exception of Santa Monica which has a high sales tax (10.25%) and a large business license fee which helps support the City's homeless programs.

In August, the Subcommittee heard a presentation from Bringing Our Community Home (BOCH) and Common Ground Santa Barbara (CGSB) regarding an effort underway to consolidate BOCH, CGSB and the various Homeless Advisory Committees in the County (HAC's). BOCH is the countywide Ten Year Plan to End Chronic Homelessness and they have been in operation since 2007. CGSB is a new endeavor that recently administered the vulnerability survey and developed a Top 100 Homeless Vulnerability List. And there are three HAC's in Santa Barbara County, including the South Coast Homeless Advisory Committee, that deal with homeless issues.

The proposed consolidation would combine BOCH, CGSB and the Homeless Advisory Committees into one regional homeless collaborative led by a Leadership Council comprised of elected representatives from the County of Santa Barbara and the cities of Santa Barbara, Santa Maria, Goleta, Carpinteria and Lompoc. A Coordination Committee, made up of County and City department leaders, would report to the

Leadership Council and coordinate the work of a Ten-Year Plan Committee; Community Action Group; Housing, Shelter and Treatment providers; and Data and Performance Evaluation. The proposal includes a full-time Homeless Administrator and a part-time administrative assistant who would be supported by each jurisdiction. In addition, the existing County and City staff resources dedicated to the administration of the current model would fold into the new structure. See Attachment 2 for the full Draft proposal.

The Subcommittee is recommending that the City support this consolidation, in concept, and direct Council and staff to participate in a planning workshop to be held this Fall.

BOCH is currently applying to foundations for transitional funding for staffing the new homeless collaborative. This funding will bridge the gap between now and July 1, 2012 when public funding would expect to become available. The Subcommittee is recommending that Council set aside Fiscal Year 2013 Human Services funding to pay the City's fair share of staffing costs, with the expectation that other public government bodies will also step up with their fair share. In addition, if appropriate, the City could offer in-kind office space on the South Coast for the homeless collaborative.

#### Data Collection

The Subcommittee agreed that there is currently a lack of reliable data regarding homeless persons in Santa Barbara, although they recognize that the Common Ground Vulnerability Survey is a good start. The County of Santa Barbara is upgrading their Homeless Management Information System (HMIS) to make it more user friendly, and they hope to expand the use of the new system to all homeless service providers. It may be possible for the City to purchase a license with the same vendor so that information can be easily accessed. Therefore, the Subcommittee is recommending that Council direct staff to work with the County of Santa Barbara Housing and Community Development Department on the selection of its new HMIS system.

#### Real Change Not Spare Change Alternate Giving Campaign

On November 24, 2009, the Redevelopment Agency Board approved a \$75,000 grant to implement the Panhandling Education and Alternative Giving Campaign. The Downtown Organization (D.O.) was the grantee and assumed the leadership and management role of the Campaign. On April 20, 2010 the *Real Change Not Spare Change* program was launched. The Campaign includes a comprehensive education effort focused on informing the public about the negative cycle of panhandling and promoting the redirection of charitable giving to support for individuals in need. The Campaign encourages the positive intent of those who give by providing a convenient alternative in the form of counter-top donation boxes located in local stores. All funds raised through this program have been directed to street outreach to the homeless in the program area.



A second phase of the Campaign was discussed as a possibility that, if pursued, could involve some form of street side donation boxes and additional educational efforts. A second phase would require the selection of an entity to manage the phase, a detailed work program, planning and approval process and additional funding, possibly from the Redevelopment Agency.

The Subcommittee is recommending that Council direct staff to complete Phase I of the *Real Change Not Spare Change* alternate giving campaign and suspend Phase II for now.

Update on Strategies to Address Community Issues Related to Homelessness

An Update on the *Strategies* was presented to the Subcommittee for their review and is included as Attachment 1. Six of the twelve strategies have been completed to the extent possible and work will continue on the six remaining strategies as well as any of the Subcommittee recommendations that are approved by Council today.

**BUDGET/FINANCIAL INFORMATION:**

If approved, the recommendation to support staffing for the homeless collaborative will come before Council in late October or early November 2011 as a part of the Human Services funding commitment for Fiscal Year 2013. There may also be a minimal cost to purchase a license for the Homeless Management Information System. If needed, this request would come to Council at a later date.

- ATTACHMENTS:**
1. Update on *Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara*
  2. Draft Proposal to Restructure Bringing Our Community Home-Ten Year Plan to End Homelessness and Regional Homeless Advisory Committees

**PREPARED BY:** Sue Gray, Administrative Services Manager

**SUBMITTED BY:** Council Subcommittee on Homelessness and Community Relations

**APPROVED BY:** City Administrator's Office

Santa Barbara City Council Subcommittee on  
Homelessness and Community Relations  
Update on *Strategies to Address Community Issues Related to Homelessness in the  
City of Santa Barbara*  
Updated August 29, 2011

The implementation of many of the *Strategies to Address Community Issues Related to Homelessness* is progressing. Below is a summary of the progress to-date for each of the 12 strategies.

**BACKGROUND:**

June 17, 2008: City Council established a Council Subcommittee, made up of three Council members (Falcone, Francisco and Schneider), to study a range of issues related to homeless services and neighborhood impacts.

July 2008 to January 2009: Nine subcommittee meetings were held.

February 24, 2009: Council approved the *Strategies to Address Community Issues Related to Homelessness in the City of Santa Barbara (Strategies)*

March 30, 2010: Twelve-month status update presented to Council

November 9, 2010: City Council reconvenes Council Subcommittee, made up of three Council members (Mayor Schneider, Councilmember Francisco and Councilmember White) to review the progress on the implementation of the twelve recommended strategies outlined in *Strategies* and address the issue of meal provisions city-wide and regionally.

The *Strategies* include 12 recommendations organized into three interrelated categories (prevention, intervention, and enforcement) and are intended to be implemented as a package. Each of the 12 recommended strategies and to-date progress made towards their implementation are discussed below.

**PREVENTION:**

***Recommendation:*** *Develop a panhandling and alternate giving campaign in collaboration with the Downtown Organization, the Conference and Visitors Bureau, the Chamber of Commerce, the Greater Santa Barbara Lodging and Restaurant Association, homeless service providers, the faith-based community and homeless advocates.*

The goals of the Campaign are to 1) educate residents and visitors about the negative cycle of giving to panhandlers, 2) change the behavior of those who give, 3) change the behavior and attitude of those who avoid downtown because of panhandlers, and 4) redirect the generosity of individuals to fund street outreach that serves very low income people in crisis.

### Background:

On November 24, 2009, the Redevelopment Agency Board approved a \$75,000 grant to implement the Panhandling Education and Alternative Giving Campaign. The Downtown Organization (D.O.) was the grantee and assumed the leadership and management role with the Campaign. A second phase of the Campaign was briefly discussed as a possibility that, if pursued, could involve some form of streetside donation boxes and additional educational efforts. If pursued, a second phase would require an entity to manage the second phase, a detailed work program, planning and approval process and additional funding, possibly from the Redevelopment Agency. No movement has occurred on a second phase.

On April 20, 2010 the Real Change Not Spare Change program was launched. Led by the D.O., the Campaign includes a comprehensive education effort focused on informing the public about the negative cycle of panhandling and promoting the redirection of charitable giving to provide beneficial support for individuals in need. The Campaign encourages the positive intent of those who give by providing a convenient alternative in the form of counter-top donation boxes located in local stores. All funds raised through this program have been directed to street outreach to the homeless in the program area. The alternative giving element of the Campaign has been managed by Casa Esperanza and they also lead the street outreach effort.

Implementation of the Campaign has been carried out by a collaboration of public, business, non-profit, and community-based organizations. The Campaign has coordinated messaging and local media advertising to effectively reach residents and tourists that frequent the Downtown, Waterfront and Lower Milpas areas. The initial phase of the campaign has utilized countertop donation boxes placed in local businesses as an easily accessible alternative to placing cash into the hands of individuals on the street.

Although designed primarily as an educational campaign, the lack of revenue generated and the overall lack of participation by downtown businesses has been disconcerting. Due to the continuing efforts regarding the initial Campaign, a second phase of the Campaign has not been discussed at the staff level.

### Status:

The campaign has been in up and running for approximately 16 months. Following are some general statistics regarding the campaign:

- **RDA Grant #522** - \$75,000 for the Downtown Organization to manage and run a public campaign aimed at educating the public regarding the negative cycle of panhandling. The grant currently has a balance of approximately \$16,000.
- **Businesses** with donation boxes, posters, countertop signs: 49 (32 with donation boxes).
- **Real Change Days:** July 21, 2010 - 6 businesses raised \$867. October 20, 2010 - 13 businesses raised \$2,510; June 15, 2011 – 8 businesses raised \$250.
- **Text Donations** (as of 3-3-11): \$80. This option has been terminated.
- **Promotion and Production Plan:**
  - ✓ English public awareness ads in the *Santa Barbara NewsPress* and the *Santa Barbara Independent* running from the end of April through the end of the year.
  - ✓ English public awareness ads online at Noozhawk.com and Edhat.com running in April through the end of the year.

- ✓ English and Spanish public awareness ads and PSAs on the radio (KSBL and KIST) will be running through the end of the year.
- ✓ English and Spanish public awareness ads on MTD busses and shuttles, indefinitely.
- ✓ Countertop signs, donation boxes and posters continue to be distributed by the Downtown Organization staff and the Chamber of Commerce staff. English and Spanish are available.
- **Targeting:** The DO staff completed month-long survey of the number of panhandlers in the 400-1200 blocks of State Street, once daily M-F. Problem blocks were identified and those merchants were targeted to participate in Real Change Day and offered campaign materials.
- **Outstanding items:**
  - ✓ Message Card – “How to respond to panhandlers” in production
  - ✓ Rack Card or Tri Fold Brochure for Hotels in production

**The Council Subcommittee is recommending that Phase II of the campaign be suspended for the time being.**

***Recommendation:*** Continue looking for opportunities to assist with affordable housing projects, especially those involving permanent supportive housing for homeless individuals.

The City is assisting four affordable housing projects that include units for permanent supportive housing for homeless persons and is also funding two rental assistance programs targeted to the homeless.

1. With financial assistance from the City and its Redevelopment Agency, the City’s Housing Authority just completed construction of **Artisan Court** (416–424 East Cota Street), a below market-rate rental housing development comprised of 56 studio units serving a mixed population of special needs individuals, homeless youth aging out of foster care, and low-income downtown workers. The project is now fully occupied.

2. With financial assistance from the City and its Redevelopment Agency, the nonprofit organization, Transition House, has commenced the **Mom’s Place** project which is located directly across the street from Artisan Court at 421-425 East Cota Street. The project consists of construction of a new building with eight new rental units and a childcare facility and rehabilitation of an existing building with eight rental units. Transition House is dedicated to assisting homeless families by providing housing, support services, child care, and job training. The Mom’s Place project is expected to be completed by spring of 2012.

3. With financial assistance from the City’s Redevelopment Agency, the City’s Housing Authority has developed plans to build a below market-rate rental housing development at 512 Bath Street (**Bradley Studios** project) with 512 Bath Street 53 studio units (plus one two-bedroom manager’s unit) that will serve homeless persons and downtown workers. The Housing Authority submitted an application for low-income housing tax credits in March. If awarded, the project would commence construction before the end of 2011.

4. On January 25, 2011 the Redevelopment Agency Board approved a \$1,150,000 grant in Redevelopment Agency Housing Setaside Funds for the acquisition of 2904 State

Street by the Housing Authority of the City of Santa Barbara. The property consists of seven rooms and a two-bedroom manager's unit. Previous residents vacated the property and were provided with relocation assistance by the Housing Authority. A lease with **WillBridge**, a local nonprofit organization that provides housing and supportive services to the homeless, was executed with an effective date of July 1, 2011. On that date WillBridge took over control of the property and shortly after had all units occupied with qualified clients.

5. The City has awarded a grant of federal HOME funds to the City's Housing Authority for operation of the **Tenant Based Rental Assistance Program (TBRA)**. Under TBRA, the Housing Authority will provide rental assistance to homeless persons much like the Section 8 Program. Participants in TBRA pay 30% of their income for rent, and TBRA pays the balance. As currently funded, TBRA will provide assistance for approximately 18 persons for a two-year term while they are on the Section 8 waiting list. The City expects to continue to provide future funding for TBRA on an annual basis.

6. The City is the lead agency on a \$1,200,000 grant from the State of California **Homelessness Prevention and Rapid Re-Housing Program (HPRP)** under the American Recovery and Reinvestment Act of 2009. Since September 2009, \$550,000 has been used to assist 512 persons with financial assistance and supportive services to maintain or access permanent housing (270 Prevention/242 Rapid Re-Housing).

**City staff will continue to seek opportunities for permanent supportive affordable housing projects.**

#### **INTERVENTION:**

**Recommendation:** *Encourage coordination and cooperation of street outreach teams and the Police Department to work with those on the Top 100 open container offender list.*

City Police and homeless street outreach workers have met intermittently since June 2009 under the coordination of the Santa Barbara County-wide 10-Year Plan to End Chronic Homelessness. They have collaborated on issues such as **camp cleanups**, **release of information** forms for Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements, **emergency parking issues** and **jail discharge planning**. City Police now notify street outreach workers once a 72-hour clean-up notice has been posted, which allows the outreach workers time to work with people involved to offer them shelter/housing and ensure that important documents and possessions are not lost.

Most recently, this group worked to develop a list of the **100 most vulnerable homeless** persons in Santa Barbara in order to focus resources on getting them housed. This list was then combined with the **Common Ground Santa Barbara** vulnerability index list developed in February 2011 by interviewing homeless persons on the street. Housing providers and service providers are now working with one list of the most vulnerable homeless persons in order to focus resources to get them housed.

**This objective has been completed.**

**Recommendation:** *If shelter service providers wish to amend conditional use permits to allow for an increase in their year round beds for vulnerable populations (e.g. women with children, elderly, youth aging out of the foster care system, persons with medical conditions and persons on the Top 100 offender list who are ready to get off the street and into recovery), work with them and their neighbors in the amendment process to assess the potential impact on the neighborhood and identify mitigation strategies.*

On March 26, 2009, the Planning Commission approved amendments to Casa Esperanza's Conditional Use Permit to **temporarily increase** the year-round shelter by 40 beds (for a total of 140 beds) from April 1, 2009 through June 30, 2009, to house vulnerable populations. The Commission also allowed Casa Esperanza, with the approval of the Police Chief, the ability to increase the number of beds (up to 10%), when warranted and at the request of the Police, in order to respond to critical weather or public safety needs. Recently, the City's Overnight Accommodation Mitigation funds, which were left over from the Motel Voucher Program, were identified as a source to pay for these **police beds**.

**This recommendation has been completed.**

**Recommendation:** *Consider using Community Development Block Grant (CDBG) and Redevelopment Agency funds for capital improvements in the lower Milpas Street area to mitigate the impact of homelessness.*

The Community Development and Human Services Committee recommended allocating \$25,000 of the City's Fiscal Year 2011 CDBG funds to construct a six-foot high chain link fence around the bleachers and restrooms at the Cabrillo Ball Field to discourage illegal camping, drug activity and loitering. The City's Capital Improvement Program anticipates construction of pedestrian lighting and sidewalk infill on lower Milpas Street in Fiscal Year 2014, following completion of the U.S. Highway 101 improvements. This improvement project is not yet funded, but may be considered as a future Redevelopment Agency project as early as Fiscal Year 2012.

**The City's Neighborhood Advisory Council (NAC) will continue to identify future Neighborhood Improvement Task Force capital projects.**

**Recommendation:** *The significant need for additional detox beds is recognized and staff is directed to work with relevant agencies to help them with securing locations and funding for more detox beds and recovery beds for homeless individuals with substance abuse issues.*

The Project Recovery Detox Program, operated by the Council on Alcoholism and Drug Abuse (CADA) at Casa Esperanza, has 12 beds for their 14-day residential detox program. Due to demand, since December 1, 2009, both dorms (six beds each) have been used for men; women needing detox are being sent to North County through a collaboration of County Alcohol Drug and Mental Health Services (ADMHS), Casa Esperanza, Council on Alcoholism and Drug Abuse (CADA), Good Samaritan Shelter, and Clergy and Laity United for Economic Justice (CLUE).

A working subcommittee of the South Coast Homeless Advisory Committee spent approximately 15 months researching suitable locations and funding options for a possible opportunity acquisition of property to house Project Recovery. On March 15, the Redevelopment Agency Board approved an **\$865,000 grant to the Housing Authority of the City of Santa Barbara (HACSB) for the purchase of 1020 Placido Avenue**. The HACSB will own the property, Council on Alcoholism and Drug Abuse will operate Project Recovery, and the County of Santa Barbara will continue to fund the Project Recovery Program. The improved location will continue to provide 12 beds for detox services; however, the new location provides for much more flexibility in the number of men vs. women served.

In addition, CADA applied for and received a City Human Services grant of \$20,000 to support the ongoing operation of the detox program.

**This recommendation has been completed.**

***Recommendation:*** *Continue and expand the Restorative Policing Program to work with homeless persons with mental illness.*

All Tactical Patrol Force officers are trained in the restorative policing process. In February 2010, the Police Department hosted a ***Crisis Intervention Training for Law Enforcement Personnel*** for City police officers and surrounding organizations. In May 2011, another four-day *Crisis Intervention Training* was held in collaboration with Santa Barbara County Alcohol, Drug and Mental Health Services, the Santa Barbara Police Department, and the Santa Maria Police Department.

In June 2011, as part of the Fiscal Year 2012 budget, Council approved a **3-year Enhanced Restorative Policing Pilot Project**. The City has assigned a second officer to the program and the Police Department is in the process of hiring 3 part-time outreach workers and 6 part-time community service liaisons. The outreach workers will work with the 2 full-time restorative police officers to identify and assist homeless persons with housing and services. The community service liaisons will be assigned in teams of 2 to State Street, Cabrillo Boulevard and Milpas Street to be the eyes and ears of the Restorative Policing Program as well as local merchants.

The officers assigned to the restorative policing unit continue to divide their attention between those persons who have significant mental health/homeless issues and those who have alcoholism/homeless issues. This bifurcated approach has led to successes in assisting the worst chronic inebriates in seeking treatment. Working in cooperation with the City Attorney, District Attorney, Superior Court, County Jail Staff and Defense Attorneys, the officers have begun to better utilize incarceration time to advance detox efforts. Fostering those relationships with the homeless, the officers have arranged for and transported volunteer clients directly to non-profit treatment centers. The Restorative Unit continues to see success in individualized attention and the enhancement of the program will ensure an increase in the number of people assisted. The greatest success comes from those individuals who have minor to moderate mental health issues and/or drug and alcohol issues.

**Measurable outcomes for the Enhanced Restorative Policing Pilot Program will be developed and the progress of meeting these outcomes will be reported on semi-annually.**

***Recommendation:** Work with service providers to secure funding for relocation funds and emergency hotel vouchers and programs to help reconnect people with their families.*

In June 2009, Council approved a \$45,000 grant to Transition House for a pilot project to fund a **Hotel Voucher Project** (HVP) to provide safe accommodations for homeless families with children who wish to enter Transition House and participate in services but are denied entrance due lack of bed space. At the same time, due to the increased need for shelter, Transition House began a waiting list and offered those on the waiting list case management services and/or referrals as needed. To date, only 8 families have utilized hotel vouchers. Many families were able to find ways to stay off the street thanks to the waiting list. People found that they were often able to stay with a friend or continue on for a few days or more in their apartment because they have a plan—the landlord, the friend, or the family member was more willing to keep them on a little longer knowing that they would soon leave to join Transition House. Only \$5,000 has been expended for hotel vouchers.

**City staff will continue to work with police, outreach and service providers to develop strategies aimed at reconnecting homeless with their families.**

#### **ENFORCEMENT:**

***Recommendation:** Adoption of a City ordinance that is more restrictive on solicitation.*

In August 2009, Council amended SBMC Chapter 9.50 to prohibit "**abusive panhandling**" (e.g., blocking, following, threatening, and/or touching the person being panhandled) entirely within the City, with the provision that the effective date of the ordinance be delayed until the Panhandling Education and Alternative Giving Campaign was established. The amended ordinance also prohibits "**active panhandling**" while on a public bench or other public seating area in the 400-1200 blocks of State Street, lower Milpas Street, or Cabrillo Boulevard between Castillo Street and Milpas Street, and actively panhandling in areas where the person being panhandled is less able to move away, such as while waiting at a bus stop or sitting at an outdoor dining establishment. Passive panhandling (e.g., holding a sign without a verbal request) is allowed under this ordinance. With Redevelopment Agency Board approval of funding in November 2009 to support the Panhandling Education and Alternative Giving Campaign, the aggressive panhandling ordinance went into effect on December 1, 2009.

- *Since that time there have been 13 prosecutable citations issued. One of the cases was dismissed on the eve of trial because the victim/witness changed her story and said that she was never asked for money. In another case, the charge was reduced to an infraction as part of a plea agreement because the defendant had several other more serious charges. Three cases were dismissed on the judge's motion. It is speculated that this was because the DA had other more serious cases pending and it was agreed that the panhandling case would be*



*dismissed as part of a settlement agreement. Information on the remaining 8 cases are not available at this time.*

- *One significant factor is the requirement that victims of aggressive panhandling actively pursue arrest through the Citizens Arrest process. Law enforcement officers are not permitted to arrest solely on observation without active victim participation.*

**This recommendation has been completed.**

***Recommendation:*** *Continue and expand intergovernmental cooperation to curb negative behavior.*

The Police Department, City Attorney's Office and the courts coordinated to prosecute **chronic offenders** for violation of the City's open container of alcohol ordinance and other Municipal Code violations, such as aggressive panhandling, as misdemeanors instead of infractions. Similarly, those same violations will be prosecuted as misdemeanors if they occur within certain designated **enforcement areas** of the City.

Through a focused collaboration with SB Courts, the SB Police Department, Public Defender, City Attorney, District Attorney and County Jail, a **Restorative Court Program** was initiated in March 2011. Its goal is to identify those defendants arrested in the City of Santa Barbara who may benefit from sobriety and mental health programs or by reuniting them with family. The first session was held on March 16, 2011. Restorative Court is an entirely voluntary court that diverts individuals charged with transient related crimes (e.g. public drunkenness, possession of open container of alcohol, camping in public, and unauthorized removal of shopping carts) from the traditional arraignment court into a separate restorative justice court that focuses on reintegrating individuals into society. The individuals who participate in this program are initially selected for eligibility by Officer Keld Hove or Deputy Public Defender Jennifer Archer. Once an individual is diverted into Restorative Court, he signs a contract indicating that he is waiving his right to a speedy trial and if he fails to successfully complete the program he will be subject to a court trial on police reports alone.

The Restorative Court team members meet every Wednesday in Department 7 at 10:30 a.m. to create case management plans for the new participants and review the case status of its continuing participants. The Restorative Court team is comprised of Commissioner Pauline Maxwell; Officer Keld Hove; Deputy Public Defender Jennifer Archer; Tona Wakefield, the Jail Outreach Coordinator; Charles McClain, supervisor of the Jail's drug and alcohol treatment program; Norma Beneviedes, County Mental Health; and Isabel Blagborne, outreach worker. At 11:00 a.m. the actual court session begins and the participants are brought in to discuss their case management plan. A typical case management plan may include getting an individual into the appropriate alcohol treatment center, coordinating release and availability of medication, locating housing, obtaining identification, and assisting the individual in obtaining social security or disability. The Restorative Policing Officer then develops a plan to transport the defendant into the program. Voluntarily completing the agreed upon program permits minor charges or sentences to be reduced or eliminated by the Santa Barbara Superior Court. Initial review is very positive with several chronic violators accepting treatment.

Bringing Our Community Home applied for and received a City Human Services grant to partially support the **Jail Outreach Coordinator**, who is also a member of the Restorative Court team, speaks with homeless inmates in County jail and provides discharge planning services. The County provides office space and access to inmates. The goal is to work with homeless individuals at a time when they may be more likely to enter a recovery program instead of being released back on the street.

**This recommendation has been completed.**

***Recommendation:** Continue to utilize Police Department deployment strategies to best meet the immediate demands of the community.*

In Fiscal Year 2010, a retired part-time patrol officer was hired to **patrol State Street**. That part-time position was funded by the City's Downtown Parking Division and the Downtown Organization. The Downtown Organization indicated that they are no longer able to fund their half of the position.

In Fiscal Year 2011, the Tactical Patrol Force (TPF) unit identified 4 areas of the City that produce the greatest number of calls resulting from homeless related issues. They are; Downtown Corridor, Beachfront, Lower Milpas and Upper Milpas. To effectively manage these areas the Police Department **shifts resources as needed** to meet trends in homeless related crime. Additionally, the TPF unit works with Public Works, County agencies and NGO's to identify and post **illegal campsites** and direct outreach resources into the area. Using Sheriff's Work Alternative Program (SWAP) crews when they become available, the campsites are then scheduled for cleanup.

This **deployment and reporting strategy** has produced significant changes in negative behavior in those areas in a short period. The Tactical Patrol Force officers continue to provide routine enforcement of the downtown corridor, Main Library, the Waterfront area, Milpas Street, and the labor line with heavier penalties in the previously identified enforcement Zones. See chart below for trends.

**The Police Department will continue to utilize deployment strategies to best meet the immediate needs of the community.**

	Detail Totals	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11
<b>Upper Milpas</b>									
Felony Arrests	9	6	1	0	1	0	0	1	0
Misdemeanor Arrests	38	21	5	0	3	3	3	0	3
Misdemeanor Citations	102	41	6	3	11	3	13	14	11
<b>Lower Milpas</b>									
Felony Arrests	15	12	2	1	0	0	0	0	0
Misdemeanor Arrests	55	42	4	3	1	0	3	1	1
Misdemeanor Citations	140	64	19	7	10	10	12	15	3
<b>East Beach/Labor Line Grid 12</b>									
Felony Arrests	16	4	2	0	1	3	1	1	4
Misdemeanor Arrests	32	12	2	6	3	1	3	2	3
Misdemeanor Citations	184	36	19	16	16	7	9	31	50
<b>West Beach Grid 13</b>									
Felony Arrests	5	3	0	0	0	0	0	1	1
Misdemeanor Arrests	35	22	5	0	4	2	1	0	1
Misdemeanor Citations	89	17	15	3	16	3	8	19	8
<b>Downtown Corridor/Grids 40,41, 42</b>									
Felony Arrests	18	10	2	2	0	1	1	1	1
Misdemeanor Arrests	99	56	11	1	8	5	12	2	4
Misdemeanor Citations	339	117	42	10	33	33	33	39	32
<b>Monthly Total Combined Felony Arrests</b>	<b>63</b>	<b>35</b>	<b>7</b>	<b>3</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>6</b>
<b>Monthly Total Combined Misdemeanor Arrests</b>	<b>259</b>	<b>153</b>	<b>27</b>	<b>10</b>	<b>19</b>	<b>11</b>	<b>22</b>	<b>5</b>	<b>12</b>
<b>Monthly Total Combined Misdemeanor Citations</b>	<b>854</b>	<b>275</b>	<b>101</b>	<b>39</b>	<b>86</b>	<b>56</b>	<b>75</b>	<b>118</b>	<b>104</b>

***Recommendation:*** Implement principles of a Recovery Zone for the Milpas Area to the extent legally permissible.

In April 2009, City Police **protested an enhanced liquor license application** for a store at 134 S. Milpas Street, which would have allowed them to sell hard liquor. The applicant eventually withdrew their application and they were told that they would need to gain the support of the community if they wanted the license upgrade. There have been no further requests for either application or modification of liquor licenses in the Recovery Zone.

Based on the Subcommittee's recommendation, the City Council's Legislative Platform has been revised to express the City's **support for state legislation to allow cities and counties to designate "Alcohol Impacted Areas"** and to impose strict local review and controls on the issuance of new ABC permits within such areas.

The Police Department and the City Attorney's Office have coordinated to prosecute individuals found in possession of an open container of alcohol within the anticipated Recovery Zone for violation of a misdemeanor instead of an infraction. When possible, Conditions of Probation or Restorative Court have been added prohibiting them from returning to the location of their arrest.

**This recommendation has been completed.**

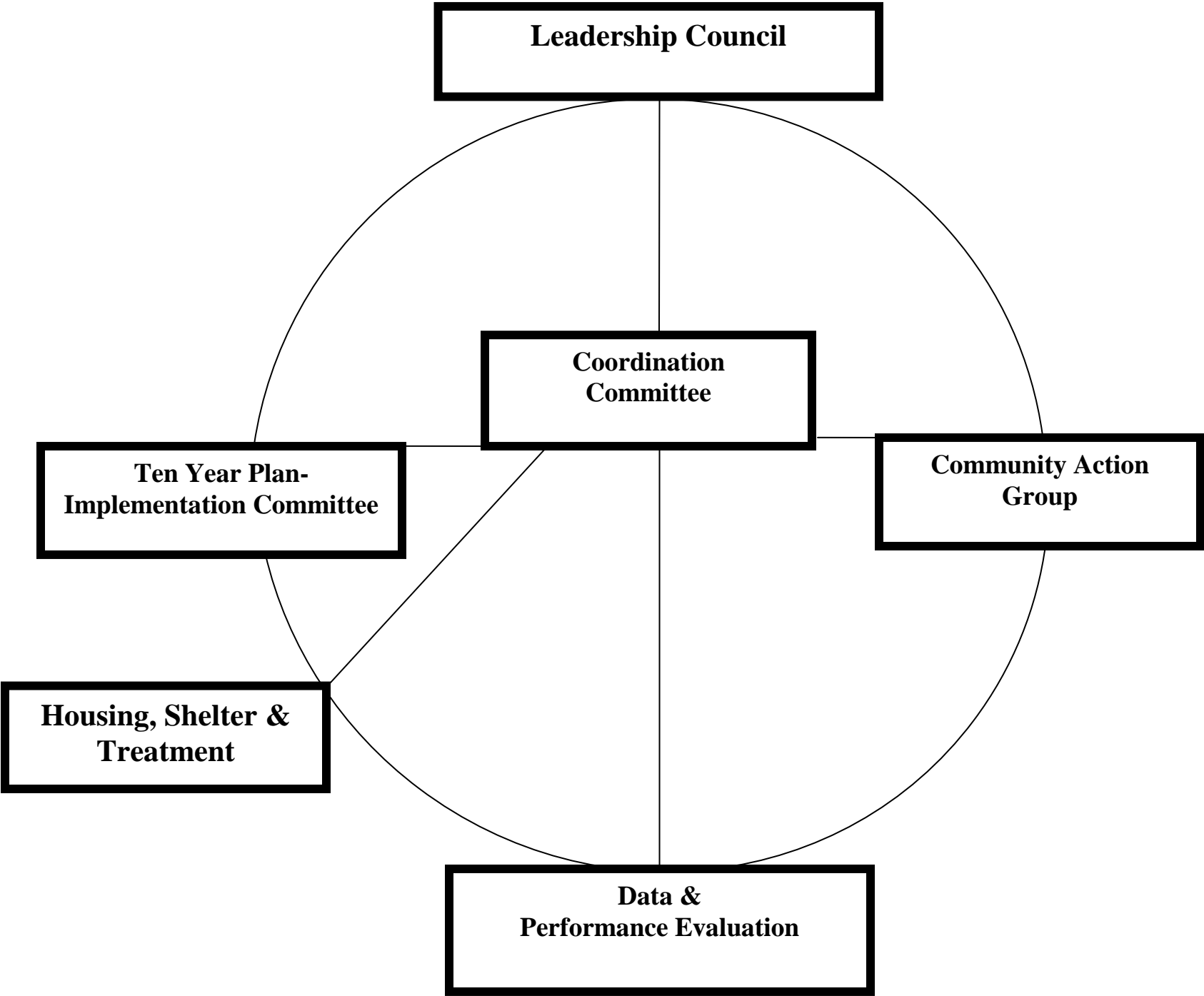
## **Consolidation of BOCH/Homeless Advisory Committees**

### **Goals:**

- Establish leadership by elected officials to identify policy direction(s) on issues related to homelessness
- Build regional involvement between government, non-profit, business, philanthropic, faith and activist communities
- Create synergy between groups to maximize staff participation and utilize volunteer resources effectively
- Establish priority list(s) to address problems and identify measurable outcomes
- Match the appropriate level of participation by each sector with the task that needs to be accomplished

### **Objectives:**

- 1) Combine BOCH and HACs into one regional Homeless Collaborative led by elected representatives from throughout the County. Leadership Council meets quarterly mid-county or in a location where remote testimony is available. Leadership Council includes representatives from the following elected bodies: Board of Supervisors (2); Santa Maria (2); Santa Barbara (2); Goleta (1); Lompoc (1)
- 2) TYP Committee addresses chronic homelessness and the challenges unique to housing and treating that population. HS&T Committee addresses issues related to non-chronic homeless families and individuals. The legal community should be involved in these committees to determine best options for homeless in jail and collaborate with restorative court. County/City departmental staff will work with CBO's and other service providers. This committee needs to incorporate Veterans Affairs, Foster Care, Jail Discharge, Restorative Policing/Homeless Court, public assistance funding (Social Security/ Medical/etc.).
- 3) Coordination Committee will be responsible for making sure that government, business, non-profit, faith and community interests are communicating and working collaboratively using best practices to address regional homeless issues. Coordination Committee will include relevant County and City department leaders to coordinate with the TYP Committee, Housing, Shelter & Treatment stakeholders and the Community Action Group.
- 4) The Community Action Group includes community advocates, business community, faith-based action, volunteers, homeless individuals, etc. The focus will be on grass-roots organizing, street issues, new policy needs, activism and emerging needs. Volunteers will be utilized by housing, shelter and treatment providers when appropriate.
- 5) Data & Performance Evaluation collects, stores and tracks data in order to track progress, identify gaps in services and make changes when necessary. TYP, HS&T, and CAG will provide data. Data & Performance Evaluation will report to Coordination Committee.



### **Homeless Coordinating Council Staffing Needs**

1. Chief Administrator: full-time position housed with BOCH/non-profit entity (funding TBD)  
Duties: Administration of Coordinating Council and associated committees. Develop and implement database to warehouse treatment, housing and shelter information to prioritize needs and track results. Establish communication between all stakeholders who provide service to homeless. Promote collaboration and partnership. Establish reliable funding for activities.  
Qualities: Social service background; good communication skills; regional outlook;
2. Administrative Staff: 20 hrs/wk (funding TBD)  
Duties: Assist Chief Administrator with tasks listed above; prepare agendas & minutes; attend committee meetings as needed.
3. Existing County/City staff roles
4. Volunteer Leadership and Support roles
5. Other ?

### **Funding**

- Existing County and City staff resources dedicated to administration of BOCH/HACs will fold into new structure
- Non-profit entity (BOCH) will submit proposal to foundations for transition period funding for Chief Administrator and part time Administrative Staff position

### **Next Steps:**

- Distribute questionnaire to solicit feedback from wide group of stakeholders and determine coordination structure of committees; identify costs; facilitate effective use of County/City/NGO staff and determine volunteer responsibilities
- Identify priorities for action
- Future workshop/retreat to engage participation and build momentum for the transition period and beyond



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Accounting Division, Finance Department

**SUBJECT:** Fiscal Year 2011 Interim Financial Statements For The Twelve Months Ended June 30, 2011

**RECOMMENDATION:** That Council:

- A. Accept the Fiscal Year 2011 Interim Financial Statements for the Year Ended June 30, 2011;
- B. Hear a report from staff on the General Fund's preliminary year-end results of revenues and expenditures in relation to budget as of June 30, 2011; and
- C. Approve an allocation of \$11,633 to the Fiscal Year 2011 City Attorney's Office budget and \$188,777 to the Police Department budget from General Fund appropriated reserves to cover unbudgeted expenditures in those departments.

**DISCUSSION:**

The accompanying interim financial statements (Attachment) present the preliminary year-end revenues and expenditures, with a comparison to budgeted amounts, for the fiscal year ended June 30, 2011. Revenues and expenditures will continue to be analyzed and, as necessary, further adjusted in the next few weeks in preparation for the annual independent financial audit.

Each month staff provides City Council with interim financial statements that provide a status of revenues and expenditures in relation to budget. In those interim reports, the focus is on identifying any material variances and, if appropriate, any adjustments to the budget that may be required. At year-end, however, the focus is on providing a summary of the final results of operations and their impacts on reserve balances, and to help understand material favorable and unfavorable variances from budget.

Staff will present a preliminary report of year-end revenues and expenditures for the General Fund. The information presented in this report has not yet been audited by our independent financial auditors. The staff report on revenues will include most of the year-end revenue accruals for the General Fund; however the sales tax accrual will be an estimate because final amounts for the quarter ended June 30, 2011, will not be known until late September. Reported expenditures reflect all year-end adjustments other than those that may be identified in connection with the independent audit.

## Summary of Year-End Results – General Fund

The table below summarizes the General Fund results of operations for Fiscal Year 2011. Most importantly, total revenues exceeded total expenditures by almost \$1.5 million. A number of factors played into the positive year-end results; however, the most notable results were in expenditures which were below budget by \$2.7 million.

While revenues ended the year \$444,715 below budget, actual results were much better since the budgeted revenues include amount called “Anticipated Year-End Variance” which represents expected savings in expenditures that occur each year from turnover in staff and vacancies. Excluding this amount, actual revenues ended the year approximately \$1.5 million over budget, with tax revenues creating most of the positive results. Detailed revenue and expenditure information is provided in Attachment 1.

<b>General Fund</b> <b>Fiscal Year Ended June 30, 2011</b>				
	<u>Amended Budget</u>	<u>Year-End Totals</u>	<u>Encumbr.</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Total Revenues</b>	\$ 100,508,807	\$ 100,064,092	\$ -	\$ (444,715)
<b>Total Expenditures</b>	<u>101,523,818</u>	<u>98,610,924</u>	<u>248,581</u>	<u>2,664,313</u>
<b>Addition to (Use of) Reserves</b>	<u>\$ (1,015,011)</u>	<u>\$ 1,453,168</u>	<u>\$ (248,581)</u>	<u>\$ 2,219,598</u>

Even with this almost \$1.5 million increase, General Fund reserves will remain below policy levels.

## Recommended Budget Adjustments

As show in Attachment 1, expenditures in two departments have exceeded their respective budgets – the Police Department and the City Attorney’s Office.

The Police Department is \$188,777 over their expenditure budget. This was created primarily from over-hiring of sworn officers as directed by City Council. In anticipation that the Police Department may need additional funds as a result of their direction, the City added \$200,000 to the General Fund appropriated reserve account. Therefore, staff recommends Council approve an allocation of \$188,777 from the appropriated reserves to the Police Department Budget.



The City Attorney's Office is \$11,633 over expended. Given the relatively small departmental budget with little budgetary cushion, this overage is not considered significant. Staff recommends allocating an additional \$11,633 from appropriated reserves to cover the overage.

**ATTACHMENTS:** 1. Summary of General Fund Revenues and Expenditures  
2. Preliminary Interim Financial Statements

**PREPARED BY:** Ruby Carrillo, Accounting Manager

**SUBMITTED BY:** Robert Samario, Finance Director

**APPROVED BY:** City Administrator's Office

**CITY OF SANTA BARBARA**  
**Summary of Revenues**  
**General Fund**  
**Fiscal Year Ended June 30, 2011**

	<b>Amended Budget</b>	<b>Year-End Totals</b>	<b>Variance Favorable (Unfavorable)</b>
<b>NON-DEPARTMENTAL REVENUES</b>			
<b>Taxes</b>			
Sales & Use Tax	\$ 16,414,000	\$ 17,132,935	\$ 718,935
Utility Users' Tax	7,040,000	6,943,490	(96,510)
Property Tax	22,790,000	22,781,853	(8,147)
Transient Occupancy Tax	12,061,000	12,459,157	398,157
Business License Tax	2,168,000	2,206,992	38,992
Real Property Transfer Tax	358,100	372,292	14,192
Total Taxes	<u>60,831,100</u>	<u>61,896,719</u>	<u>1,065,619</u>
<b>Other Revenues</b>			
Franchise Fees	3,266,000	3,480,215	214,215
Interest & Rents	896,415	798,980	(97,435)
Motor Vehicle In-Lieu	150,000	431,036	281,036
Administrative Overhead	6,520,510	6,520,510	-
Other	193,981	316,853	122,872
Total Other	<u>11,026,906</u>	<u>11,547,594</u>	<u>520,688</u>
<b>Sub-Total</b>	71,858,006	73,444,313	1,586,307
<b>Anticipated Year-End Variance</b>	<u>1,975,256</u>	<u>-</u>	<u>(1,975,256)</u>
<b>Total Non-Departmental</b>	<u>\$ 73,833,262</u>	<u>\$ 73,444,313</u>	<u>\$ (388,949)</u>
<b>DEPARTMENTAL REVENUES</b>			
City Attorney	\$ 179,958	\$ 255,301	\$ 75,343
City Administrator's Office	333,090	306,502	(26,588)
Finance Department	1,049,930	1,100,878	50,948
Administrative Services	5,000	8,148	3,148
Community Development	5,847,680	6,096,598	248,918
Fire	2,634,246	2,787,788	153,542
Police	4,890,980	4,835,146	(55,834)
Public Works	5,767,251	5,473,635	(293,616)
Library	1,348,744	1,234,328	(114,416)
Parks & Recreation	<u>4,618,666</u>	<u>4,521,455</u>	<u>(97,211)</u>
<b>Total Departmental Revenues</b>	<u>\$ 26,675,545</u>	<u>\$ 26,619,779</u>	<u>\$ (55,766)</u>
<b>TOTAL REVENUES</b>	<u>\$ 100,508,807</u>	<u>\$ 100,064,092</u>	<u>\$ (444,715)</u>

**CITY OF SANTA BARBARA**  
**Summary of Expenditures**  
**General Fund**  
**Fiscal Year Ended June 30, 2011**

	<b>Amended Budget</b>	<b>Year-End Actuals</b>	<b>Encumbr.</b>	<b>Variance Favorable (Unfavorable)</b>
Mayor & Council	\$ 686,819	\$ 678,620	\$ -	\$ 8,199
City Attorney	1,921,900	1,933,533	-	(11,633)
City Administrator's Office	1,849,353	1,748,521	43,462	57,370
Administrative Services	1,673,770	1,570,489	-	103,281
Finance Department	4,189,067	4,071,794	-	117,273
Community Development	9,960,413	9,353,785	23,460	583,168
Fire	21,146,297	21,114,133	-	32,164
Police	32,627,878	32,816,655	-	(188,777)
Public Works	6,571,047	6,228,194	50,947	291,906
Library	4,258,939	3,792,758	95,212	370,969
Parks & Recreation	12,885,815	12,525,811	35,500	324,504
Community Promotions & GG	3,752,520	2,776,631	-	975,889
<b>Total Expenditures</b>	<b>\$ 101,523,818</b>	<b>\$ 98,610,924</b>	<b>\$ 248,581</b>	<b>\$ 2,664,313</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>GENERAL FUND</b>					
Revenue	100,508,807	100,064,092	-	444,716	99.6%
Expenditures	101,523,818	98,610,924	393,039	2,519,856	97.5%
<i>Addition to / (use of) reserves</i>	<u>(1,015,011)</u>	<u>1,453,168</u>	<u>(393,039)</u>		
<b>WATER OPERATING FUND</b>					
Revenue	34,632,686	32,461,686	-	2,171,000	93.7%
Expenditures	35,669,711	29,405,417	846,535	5,417,759	84.8%
<i>Addition to / (use of) reserves</i>	<u>(1,037,025)</u>	<u>3,056,269</u>	<u>(846,535)</u>		
<b>WASTEWATER OPERATING FUND</b>					
Revenue	14,985,411	15,007,080	-	(21,669)	100.1%
Expenditures	19,066,345	18,166,168	231,361	668,816	96.5%
<i>Addition to / (use of) reserves</i>	<u>(4,080,934)</u>	<u>(3,159,088)</u>	<u>(231,361)</u>		
<b>DOWNTOWN PARKING</b>					
Revenue	6,689,440	6,764,166	-	(74,726)	101.1%
Expenditures	7,391,283	6,524,300	83,297	783,686	89.4%
<i>Addition to / (use of) reserves</i>	<u>(701,843)</u>	<u>239,867</u>	<u>(83,297)</u>		
<b>AIRPORT OPERATING FUND</b>					
Revenue	13,171,977	13,611,385	-	(439,408)	103.3%
Expenditures	14,738,000	13,898,814	227,715	611,471	95.9%
<i>Addition to / (use of) reserves</i>	<u>(1,566,023)</u>	<u>(287,430)</u>	<u>(227,715)</u>		
<b>GOLF COURSE FUND</b>					
Revenue	2,049,194	1,903,897	-	145,297	92.9%
Expenditures	2,060,811	1,934,861	5,724	120,226	94.2%
<i>Addition to / (use of) reserves</i>	<u>(11,617)</u>	<u>(30,964)</u>	<u>(5,724)</u>		
<b>INTRA-CITY SERVICE FUND</b>					
Revenue	6,083,553	5,210,064	-	873,489	85.6%
Expenditures	6,781,899	5,086,854	778,437	916,608	86.5%
<i>Addition to / (use of) reserves</i>	<u>(698,346)</u>	<u>123,210</u>	<u>(778,437)</u>		

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenditures**  
**Summary by Fund**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>FLEET REPLACEMENT FUND</b>					
Revenue	2,227,068	2,228,270	-	(1,202)	100.1%
Expenditures	4,631,542	1,958,405	256,657	2,416,480	47.8%
<i>Addition to / (use of) reserves</i>	<u>(2,404,474)</u>	<u>269,865</u>	<u>(256,657)</u>		
<b>FLEET MAINTENANCE FUND</b>					
Revenue	2,429,418	2,430,046	-	(628)	100.0%
Expenditures	2,485,972	2,341,504	43,241	101,227	95.9%
<i>Addition to / (use of) reserves</i>	<u>(56,554)</u>	<u>88,542</u>	<u>(43,241)</u>		
<b>SELF INSURANCE TRUST FUND</b>					
Revenue	5,694,553	5,454,679	-	239,874	95.8%
Expenditures	6,194,109	5,875,105	95,616	223,388	96.4%
<i>Addition to / (use of) reserves</i>	<u>(499,556)</u>	<u>(420,426)</u>	<u>(95,616)</u>		
<b>INFORMATION SYSTEMS ICS FUND</b>					
Revenue	2,339,593	2,328,783	-	10,810	99.5%
Expenditures	2,344,701	2,189,319	8,387	146,994	93.7%
<i>Addition to / (use of) reserves</i>	<u>(5,108)</u>	<u>139,464</u>	<u>(8,387)</u>		
<b>WATERFRONT FUND</b>					
Revenue	11,762,974	11,462,561	-	300,413	97.4%
Expenditures	11,850,433	11,340,726	116,945	392,763	96.7%
<i>Addition to / (use of) reserves</i>	<u>(87,459)</u>	<u>121,835</u>	<u>(116,945)</u>		
<b>TOTAL FOR ALL FUNDS</b>					
Revenue	202,574,674	198,926,710	-	3,647,964	98.2%
Expenditures	214,738,625	197,332,397	3,086,955	14,319,273	93.3%
<i>Addition to / (use of) reserves</i>	<u>(12,163,951)</u>	<u>1,594,313</u>	<u>(3,086,955)</u>		

**\*\* It is City policy to adopt a balanced budget. In most cases, encumbrance balances exist at year-end. These encumbrance balances are obligations of each fund and must be reported at the beginning of each fiscal year. In addition, a corresponding appropriations entry must be made in order to accommodate the 'carried-over' encumbrance amount. Most differences between budgeted annual revenues and expenses are due to these encumbrance carryovers.**

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Budgeted and Actual Revenues**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Remaining Balance</b>	<b>Percent Received</b>	<b>Previous YTD</b>
<b>TAXES</b>					
Sales and Use	16,714,359	17,462,090	(747,731)	104.5%	16,149,552
Property Taxes	22,790,000	22,781,853	8,147	100.0%	23,039,699
Utility Users Tax	7,040,000	6,943,490	96,510	98.6%	6,952,690
Transient Occupancy Tax	12,061,000	12,459,157	(398,157)	103.3%	11,344,630
Franchise Fees	3,266,000	3,480,215	(214,215)	106.6%	3,399,654
Business License	2,168,000	2,206,992	(38,992)	101.8%	2,188,577
Real Property Transfer Tax	358,100	372,292	(14,192)	104.0%	383,552
<i>Total</i>	<u>64,397,459</u>	<u>65,706,088</u>	<u>(1,308,630)</u>	<u>102.0%</u>	<u>63,458,354</u>
<b>LICENSES &amp; PERMITS</b>					
Licenses & Permits	194,000	206,376	(12,376)	106.4%	185,073
<i>Total</i>	<u>194,000</u>	<u>206,376</u>	<u>(12,376)</u>	<u>106.4%</u>	<u>185,073</u>
<b>FINES &amp; FORFEITURES</b>					
Parking Violations	2,469,069	2,368,671	100,398	95.9%	2,342,617
Library Fines	115,000	114,886	114	99.9%	125,686
Municipal Court Fines	150,000	140,901	9,099	93.9%	173,248
Other Fines & Forfeitures	175,000	235,001	(60,001)	134.3%	187,700
<i>Total</i>	<u>2,909,069</u>	<u>2,859,459</u>	<u>49,610</u>	<u>98.3%</u>	<u>2,829,251</u>
<b>USE OF MONEY &amp; PROPERTY</b>					
Investment Income	848,615	738,865	109,750	87.1%	1,014,946
Rents & Concessions	421,535	450,232	(28,697)	106.8%	403,247
<i>Total</i>	<u>1,270,150</u>	<u>1,189,096</u>	<u>81,054</u>	<u>93.6%</u>	<u>1,418,193</u>
<b>INTERGOVERNMENTAL</b>					
Grants	511,559	468,615	42,944	91.6%	809,239
Vehicle License Fees	150,000	431,036	(281,036)	287.4%	278,321
Reimbursements	14,040	12,814	1,226	91.3%	12,891
<i>Total</i>	<u>675,599</u>	<u>912,465</u>	<u>(236,866)</u>	<u>135.1%</u>	<u>1,100,451</u>
<b>FEES &amp; SERVICE CHARGES</b>					
Finance	858,930	848,694	10,236	98.8%	828,026
Community Development	4,452,856	4,857,240	(404,384)	109.1%	4,552,259
Recreation	2,358,031	2,261,759	96,272	95.9%	2,243,867
Public Safety	476,348	544,385	(68,037)	114.3%	462,825
Public Works	5,219,373	4,891,886	327,487	93.7%	5,237,393
Library	779,643	776,256	3,387	99.6%	784,807
Reimbursements	5,856,688	5,687,343	169,345	97.1%	5,750,606
<i>Total</i>	<u>20,001,869</u>	<u>19,867,564</u>	<u>134,305</u>	<u>99.3%</u>	<u>19,859,783</u>
<b>OTHER MISCELLANEOUS REVENUES</b>					
Miscellaneous	1,475,938	1,728,193	(252,255)	117.1%	1,693,129
Indirect Allocations	6,520,510	6,520,510	-	100.0%	7,238,105
Operating Transfers-In	3,064,213	1,074,341	1,989,872	35.1%	1,926,862
<i>Total</i>	<u>11,060,661</u>	<u>9,323,044</u>	<u>1,737,617</u>	<u>84.3%</u>	<u>10,858,096</u>
<b>TOTAL REVENUES</b>	<u>100,508,807</u>	<u>100,064,092</u>	<u>444,715</u>	<u>99.6%</u>	<u>99,709,200</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>GENERAL GOVERNMENT</b>						
<u>Mayor &amp; City Council</u>						
MAYOR	686,819	678,620	-	8,199	98.8%	
<i>Total</i>	686,819	678,620	-	8,199	98.8%	700,132
<u>City Attorney</u>						
CITY ATTORNEY	1,921,900	1,933,533	-	(11,633)	100.6%	
<i>Total</i>	1,921,900	1,933,533	-	(11,633)	100.6%	2,059,320
<u>Administration</u>						
CITY ADMINISTRATOR	1,289,339	1,252,541	-	36,798	97.1%	
LABOR RELATIONS	110,649	91,055	-	19,594	82.3%	
CITY TV	449,365	404,926	14,630	29,809	93.4%	
<i>Total</i>	1,849,353	1,748,521	14,630	86,201	95.3%	1,807,239
<u>Administrative Services</u>						
CITY CLERK	465,472	433,907	2,021	29,544	93.7%	
HUMAN RESOURCES	1,072,931	1,018,419	-	54,512	94.9%	
ADMIN SVCS-EMPLOYEE DEVELOPMENT	135,367	118,163	-	17,204	87.3%	
<i>Total</i>	1,673,770	1,570,489	2,021	101,260	94.0%	1,894,171
<u>Finance</u>						
ADMINISTRATION	225,246	231,091	6,571	(12,416)	105.5%	
TREASURY	442,107	409,529	1,700	30,878	93.0%	
CASHIERING & COLLECTION	419,606	421,415	-	(1,809)	100.4%	
LICENSES & PERMITS	383,444	360,200	-	23,244	93.9%	
BUDGET MANAGEMENT	376,809	387,211	-	(10,402)	102.8%	
ACCOUNTING	389,626	375,461	23,653	(9,488)	102.4%	
PAYROLL	266,456	263,403	-	3,053	98.9%	
ACCOUNTS PAYABLE	207,691	204,308	-	3,383	98.4%	
CITY BILLING & CUSTOMER SERVICE	575,806	539,969	-	35,837	93.8%	
PURCHASING	657,198	633,239	-	23,959	96.4%	
CENTRAL STORES	158,284	155,969	-	2,315	98.5%	
MAIL SERVICES	86,794	89,998	-	(3,204)	103.7%	
<i>Total</i>	4,189,067	4,071,794	31,924	85,350	98.0%	4,479,742
<b>TOTAL GENERAL GOVERNMENT</b>	<b>10,320,909</b>	<b>10,002,958</b>	<b>48,575</b>	<b>269,376</b>	<b>97.4%</b>	<b>10,940,604</b>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
CHIEF'S STAFF	1,157,059	1,163,142	-	(6,083)	100.5%	
SUPPORT SERVICES	568,188	563,051	-	5,137	99.1%	
RECORDS	1,272,453	1,205,752	-	66,701	94.8%	
COMMUNITY SVCS	904,269	874,009	-	30,260	96.7%	
CRIME ANALYSIS	7,067	7,067	-	-	100.0%	
PROPERTY ROOM	125,865	137,969	-	(12,104)	109.6%	

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>** Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
<b>PUBLIC SAFETY</b>						
<u>Police</u>						
TRNG/RECRUITMENT	452,567	656,329	33,246	(237,008)	152.4%	
RANGE	1,023,098	1,094,677	3,097	(74,677)	107.3%	
BEAT COORDINATORS	479,676	570,188	-	(90,512)	118.9%	
INFORMATION TECHNOLOGY	1,112,749	1,083,861	(271)	29,158	97.4%	
INVESTIGATIVE DIVISION	4,334,087	4,394,055	-	(59,968)	101.4%	
CRIME LAB	213,712	134,601	-	79,111	63.0%	
PATROL DIVISION	13,162,085	13,332,022	1,570	(171,508)	101.3%	
TRAFFIC	1,288,565	1,152,044	-	136,521	89.4%	
SPECIAL EVENTS	972,017	1,167,705	18,378	(214,066)	122.0%	
TACTICAL PATROL FORCE	1,114,467	1,141,446	-	(26,979)	102.4%	
STREET SWEEPING ENFORCEMENT	278,644	289,649	-	(11,005)	103.9%	
NIGHT LIFE ENFORCEMENT	325,787	284,446	-	41,341	87.3%	
PARKING ENFORCEMENT	1,000,147	898,962	-	101,185	89.9%	
CCC	2,292,999	2,060,442	1,971	230,586	89.9%	
ANIMAL CONTROL	542,378	605,237	-	(62,859)	111.6%	
<i>Total</i>	<u>32,627,878</u>	<u>32,816,655</u>	<u>57,992</u>	<u>(246,769)</u>	100.8%	<u>32,359,784</u>
<u>Fire</u>						
ADMINISTRATION	816,405	799,924	-	16,481	98.0%	
EMERGENCY SERVICES AND PUBLIC ED	210,178	179,042	-	31,136	85.2%	
PREVENTION	1,166,561	1,054,345	-	112,216	90.4%	
WILDLAND FIRE MITIGATION PROGRAM	173,996	172,177	8,368	(6,549)	103.8%	
OPERATIONS	16,985,065	17,083,500	(503)	(97,932)	100.6%	
ARFF	1,794,092	1,825,144	-	(31,052)	101.7%	
<i>Total</i>	<u>21,146,297</u>	<u>21,114,133</u>	<u>7,865</u>	<u>24,299</u>	99.9%	<u>20,445,611</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>53,774,175</u>	<u>53,930,789</u>	<u>65,857</u>	<u>(222,470)</u>	100.4%	<u>52,805,395</u>
<b>PUBLIC WORKS</b>						
<u>Public Works</u>						
ADMINISTRATION	872,992	771,857	-	101,135	88.4%	
ENGINEERING SVCS	4,353,334	4,226,100	1,272	125,962	97.1%	
PUBLIC RT OF WAY MGMT	983,568	965,722	499	17,346	98.2%	
ENVIRONMENTAL PROGRAMS	361,153	264,514	50,947	45,692	87.3%	
<i>Total</i>	<u>6,571,047</u>	<u>6,228,194</u>	<u>52,718</u>	<u>290,135</u>	95.6%	<u>6,172,085</u>
<b>TOTAL PUBLIC WORKS</b>	<u>6,571,047</u>	<u>6,228,194</u>	<u>52,718</u>	<u>290,135</u>	95.6%	<u>6,172,085</u>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
PRGM MGMT & BUS SVCS	476,287	466,866	-	9,421	98.0%	
FACILITIES	354,519	366,851	405	(12,737)	103.6%	
CULTURAL ARTS	420,422	385,587	-	34,835	91.7%	



**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>** Remaining Balance</u>	<u>YTD Expended and Encumbered</u>	<u>Previous YTD</u>
<b>COMMUNITY SERVICES</b>						
<u>Parks &amp; Recreation</u>						
YOUTH ACTIVITIES	733,831	695,165	(290)	38,956	94.7%	
SR CITIZENS	653,938	614,471	43	39,424	94.0%	
AQUATICS	1,042,852	1,085,476	5,405	(48,029)	104.6%	
SPORTS	495,345	443,128	-	52,217	89.5%	
TENNIS	258,175	213,117	-	45,058	82.5%	
NEIGHBORHOOD & OUTREACH SERV	989,941	989,251	-	690	99.9%	
ADMINISTRATION	520,544	517,282	-	3,262	99.4%	
PROJECT MANAGEMENT TEAM	223,659	231,624	-	(7,965)	103.6%	
BUSINESS SERVICES	302,136	243,368	515	58,253	80.7%	
FACILITY & PROJECT MGT	951,580	913,464	-	38,116	96.0%	
GROUPS MANAGEMENT	4,134,610	4,059,948	22,728	51,935	98.7%	
FORESTRY	1,163,333	1,141,346	53,834	(31,847)	102.7%	
BEACH MAINTENANCE	164,643	160,041	6,794	(2,192)	101.3%	
<i>Total</i>	<u>12,885,815</u>	<u>12,525,811</u>	<u>89,433</u>	<u>270,571</u>	97.9%	<u>13,035,192</u>
<u>Library</u>						
ADMINISTRATION	399,732	356,473	-	43,259	89.2%	
PUBLIC SERVICES	1,997,383	1,945,390	3,950	48,043	97.6%	
SUPPORT SERVICES	1,861,824	1,490,895	99,038	271,891	85.4%	
<i>Total</i>	<u>4,258,939</u>	<u>3,792,758</u>	<u>102,988</u>	<u>363,193</u>	91.5%	<u>3,890,208</u>
<b>TOTAL COMMUNITY SERVICES</b>	<u>17,144,754</u>	<u>16,318,568</u>	<u>192,421</u>	<u>633,765</u>	96.3%	<u>16,925,400</u>
<b>COMMUNITY DEVELOPMENT</b>						
<u>Community Development</u>						
ADMINISTRATION	427,609	383,593	-	44,016	89.7%	
ECON DEV	52,296	43,114	-	9,182	82.4%	
CITY ARTS ADVISORY PROGRAM	427,260	427,260	-	-	100.0%	
HUMAN SVCS	819,851	808,433	-	11,419	98.6%	
RDA	685,691	623,098	-	62,593	90.9%	
RDA HSG DEV	642,855	590,298	-	52,557	91.8%	
LR PLANNING/STUDIES	716,236	709,935	-	6,301	99.1%	
DEV & DESIGN REVIEW	952,017	884,693	10,000	57,325	94.0%	
ZONING	809,341	787,451	-	21,890	97.3%	
DESIGN REV & HIST PRESERVATN	886,555	797,100	1,824	87,631	90.1%	
SHO/ENVIRON REVIEW/TRAINING	737,535	689,378	-	48,157	93.5%	
BLDG PERMITS	1,027,134	967,449	6,854	52,831	94.9%	
RECORDS & ARCHIVES	523,630	476,658	7,574	39,398	92.5%	
PLAN CK & COUNTER SRV	1,252,403	1,165,327	7,215	79,861	93.6%	
<i>Total</i>	<u>9,960,413</u>	<u>9,353,785</u>	<u>33,467</u>	<u>573,160</u>	94.2%	<u>9,748,717</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>9,960,413</u>	<u>9,353,785</u>	<u>33,467</u>	<u>573,160</u>	94.2%	<u>9,748,717</u>

**CITY OF SANTA BARBARA**  
**General Fund**  
**Interim Statement of Appropriations, Expenditures and Encumbrances**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>** Remaining Balance</b>	<b>YTD Expended and Encumbered</b>	<b>Previous YTD</b>
<b>NON-DEPARTMENTAL</b>						
<u>Non-Departmental</u>						
DUES, MEMBERSHIPS, & LICENSES	22,272	23,865	-	(1,593)	107.2%	
COMMUNITY PROMOTIONS	1,539,263	1,585,006	-	(45,743)	103.0%	
SPECIAL PROJECTS	357,891	294,750	-	63,141	82.4%	
TRANSFERS OUT	43,500	43,500	-	-	100.0%	
DEBT SERVICE TRANSFERS	350,445	321,340	-	29,105	91.7%	
CAPITAL OUTLAY TRANSFER	508,170	508,170	-	-	100.0%	
APPROP. RESERVE	930,979	-	-	930,979	0.0%	
<i>Total</i>	<u>3,752,520</u>	<u>2,776,631</u>	<u>-</u>	<u>975,889</u>	<u>74.0%</u>	<u>2,710,380</u>
<b>TOTAL NON-DEPARTMENTAL</b>	<u>3,752,520</u>	<u>2,776,631</u>	<u>-</u>	<u>975,889</u>	<u>74.0%</u>	<u>2,710,380</u>
<b>TOTAL EXPENDITURES</b>	<u>101,523,818</u>	<u>98,610,924</u>	<u>393,039</u>	<u>2,519,855</u>	<u>97.5%</u>	<u>99,302,581</u>

*\*\* The legal level of budgetary control is at the department level for the General Fund. Therefore, as long as the department as a whole is within budget, budgetary compliance has been achieved. The City actively monitors the budget status of each department and takes measures to address potential over budget situations before they occur.*

*For Enterprise and Internal Service Funds, the legal level of budgetary control is at the fund level. The City also monitors and addresses these fund types for potential over budget situations.*

**CITY OF SANTA BARBARA**  
**Special Revenue Funds**  
**Interim Statement of Revenues and Expenditures**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>
<b>TRAFFIC SAFETY FUND</b>					
Revenue	470,000	458,424	-	11,576	97.5%
Expenditures	470,000	458,424	-	11,576	97.5%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<b>CREEK RESTORATION/WATER QUALITY IMPRVMT</b>					
Revenue	2,407,300	3,259,822	-	(852,522)	135.4%
Expenditures	4,163,728	3,523,864	109,046	530,818	87.3%
<i>Revenue Less Expenditures</i>	<u>(1,756,428)</u>	<u>(264,043)</u>	<u>(109,046)</u>	<u>(1,383,340)</u>	
<b>SOLID WASTE PROGRAM</b>					
Revenue	17,512,032	16,947,929	-	564,103	96.8%
Expenditures	19,426,916	18,267,780	728,433	430,704	97.8%
<i>Revenue Less Expenditures</i>	<u>(1,914,884)</u>	<u>(1,319,851)</u>	<u>(728,433)</u>	<u>133,400</u>	
<b>COMM.DEVELOPMENT BLOCK GRANT</b>					
Revenue	2,003,480	1,941,194	-	62,286	96.9%
Expenditures	2,003,480	1,102,295	39,884	861,301	57.0%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>838,899</u>	<u>(39,884)</u>	<u>(799,016)</u>	
<b>COUNTY LIBRARY</b>					
Revenue	1,752,519	1,785,178	-	(32,659)	101.9%
Expenditures	1,863,394	1,761,172	76,437	25,786	98.6%
<i>Revenue Less Expenditures</i>	<u>(110,875)</u>	<u>24,006</u>	<u>(76,437)</u>	<u>(58,445)</u>	
<b>STREETS FUND</b>					
Revenue	10,176,670	9,789,282	-	387,388	96.2%
Expenditures	14,353,618	9,581,085	2,689,805	2,082,729	85.5%
<i>Revenue Less Expenditures</i>	<u>(4,176,948)</u>	<u>208,197</u>	<u>(2,689,805)</u>	<u>(1,695,341)</u>	
<b>MEASURE A</b>					
Revenue	2,882,759	2,766,527	-	116,232	96.0%
Expenditures	2,882,759	2,108,939	507,269	266,550	90.8%
<i>Revenue Less Expenditures</i>	<u>-</u>	<u>657,588</u>	<u>(507,269)</u>	<u>(150,318)</u>	

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**WATER OPERATING FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Water Sales - Metered	30,350,000	27,336,863	-	3,013,137	90.1%	28,182,786
Service Charges	395,000	853,861	-	(458,861)	216.2%	502,356
Cater JPA Treatment Charges	2,272,520	2,573,902	-	(301,382)	113.3%	2,994,760
Licenses & Permits	-	-	-	-	100.0%	-
Investment Income	860,900	938,987	-	(78,087)	109.1%	1,153,628
Grants	-	-	-	-	100.0%	124,877
Reimbursements	-	-	-	-	100.0%	-
Miscellaneous	754,266	758,073	-	(3,807)	100.5%	1,101,895
<b>TOTAL REVENUES</b>	<b>34,632,686</b>	<b>32,461,686</b>	<b>-</b>	<b>2,171,000</b>	<b>93.7%</b>	<b>34,060,303</b>
<b>EXPENSES</b>						
Salaries & Benefits	7,617,220	7,166,159	-	451,061	94.1%	7,098,776
Materials, Supplies & Services	10,173,513	7,520,742	345,805	2,306,967	77.3%	8,118,291
Special Projects	737,378	223,376	69,611	444,390	39.7%	161,937
Water Purchases	8,177,644	6,404,263	381,693	1,391,688	83.0%	6,693,985
Debt Service	5,088,853	4,490,405	-	598,448	88.2%	4,496,292
Capital Outlay Transfers	3,349,702	3,349,702	-	-	100.0%	5,302,492
Equipment	177,227	93,057	48,027	36,143	79.6%	108,203
Capitalized Fixed Assets	191,932	136,961	1,400	53,571	72.1%	69,583
Other	43,000	20,750	-	22,250	48.3%	21,299
Appropriated Reserve	113,242	-	-	113,242	0.0%	-
<b>TOTAL EXPENSES</b>	<b>35,669,711</b>	<b>29,405,417</b>	<b>846,535</b>	<b>5,417,759</b>	<b>84.8%</b>	<b>32,070,857</b>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**  
**WASTEWATER OPERATING FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service Charges	14,200,000	13,816,656	-	383,344	97.3%	13,612,904
Fees	452,911	762,323	-	(309,412)	168.3%	532,409
Investment Income	296,100	283,881	-	12,219	95.9%	391,271
Public Works	11,400	62,589	-	(51,189)	549.0%	8,863
Miscellaneous	25,000	81,631	-	(56,631)	326.5%	28,773
<b>TOTAL REVENUES</b>	<b>14,985,411</b>	<b>15,007,080</b>	<b>-</b>	<b>(21,669)</b>	<b>100.1%</b>	<b>14,574,220</b>
<b>EXPENSES</b>						
Salaries & Benefits	5,178,153	4,834,571	-	343,582	93.4%	4,715,223
Materials, Supplies & Services	5,908,965	5,500,034	231,317	177,614	97.0%	4,937,860
Special Projects	180,000	152,496	-	27,504	84.7%	883,911
Transfers-Out	-	-	-	-	100.0%	65,000
Debt Service	1,352,038	1,280,595	-	71,443	94.7%	1,283,477
Capital Outlay Transfers	6,295,500	6,295,500	-	-	100.0%	2,827,188
Equipment	54,428	33,163	44	21,222	61.0%	19,015
Capitalized Fixed Assets	97,261	69,809	-	27,452	71.8%	9,983
<b>TOTAL EXPENSES</b>	<b>19,066,345</b>	<b>18,166,168</b>	<b>231,361</b>	<b>668,816</b>	<b>96.5%</b>	<b>14,741,658</b>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**  
**DOWNTOWN PARKING**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Improvement Tax	840,000	825,339	-	14,661	98.3%	815,292
Parking Fees	5,606,000	5,706,084	-	(100,084)	101.8%	5,715,686
Investment Income	154,700	146,630	-	8,070	94.8%	205,059
Rents & Concessions	23,740	23,740	-	-	100.0%	23,740
Public Works	-	1,890	-	(1,890)	100.0%	1,890
Reimbursements	20,000	4,598	-	15,402	23.0%	17,851
Miscellaneous	1,500	12,384	-	(10,884)	825.6%	2,342
Operating Transfers-In	43,500	43,500	-	-	100.0%	43,500
<b>TOTAL REVENUES</b>	<b>6,689,440</b>	<b>6,764,166</b>	<b>-</b>	<b>(74,726)</b>	<b>101.1%</b>	<b>6,825,360</b>
<b>EXPENSES</b>						
Salaries & Benefits	3,847,242	3,607,036	-	240,206	93.8%	3,572,421
Materials, Supplies & Services	1,807,229	1,515,440	6,494	285,295	84.2%	1,595,188
Special Projects	730,482	412,830	76,044	241,608	66.9%	509,679
Transfers-Out	312,621	312,621	-	-	100.0%	312,621
Capital Outlay Transfers	660,000	660,000	-	-	100.0%	1,258,760
Equipment	25,000	16,372	760	7,868	68.5%	578
Appropriated Reserve	8,709	-	-	8,709	0.0%	-
<b>TOTAL EXPENSES</b>	<b>7,391,283</b>	<b>6,524,300</b>	<b>83,297</b>	<b>783,686</b>	<b>89.4%</b>	<b>7,249,245</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**  
**AIRPORT OPERATING FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial / Industrial	3,977,000	4,276,814	-	(299,814)	107.5%	4,157,313
Leases - Terminal	4,927,950	5,076,520	-	(148,570)	103.0%	4,812,629
Leases - Non-Commerical Aviation	1,095,875	1,492,769	-	(396,894)	136.2%	1,190,075
Leases - Commerical Aviation	2,637,000	2,313,229	-	323,771	87.7%	2,146,494
Investment Income	231,100	229,203	-	1,897	99.2%	297,957
Grants	-	-	-	-	100.0%	156,834
Miscellaneous	303,052	222,848	-	80,204	73.5%	203,367
Operating Transfers-In	-	-	-	-	100.0%	1,497,368
<b>TOTAL REVENUES</b>	<u>13,171,977</u>	<u>13,611,385</u>	<u>-</u>	<u>(439,408)</u>	<u>103.3%</u>	<u>14,462,037</u>
<b>EXPENSES</b>						
Salaries & Benefits	4,913,183	4,675,317	-	237,866	95.2%	4,627,929
Materials, Supplies & Services	6,432,710	6,268,958	106,417	57,335	99.1%	6,088,528
Special Projects	1,018,807	845,665	121,298	51,844	94.9%	607,062
Transfers-Out	31,049	31,049	-	-	100.0%	-
Capital Outlay Transfers	2,047,368	2,047,368	-	-	100.0%	651,069
Equipment	24,610	30,457	-	(5,847)	123.8%	28,377
Capitalized Fixed Assets	-	-	-	-	100.0%	(5,055)
Appropriated Reserve	270,273	-	-	270,273	0.0%	-
<b>TOTAL EXPENSES</b>	<u>14,738,000</u>	<u>13,898,814</u>	<u>227,715</u>	<u>611,471</u>	<u>95.9%</u>	<u>11,997,910</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**GOLF COURSE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Fees & Card Sales	1,725,172	1,525,308	-	199,864	88.4%	1,430,728
Investment Income	20,200	12,395	-	7,805	61.4%	30,700
Rents & Concessions	300,322	309,528	-	(9,206)	103.1%	275,313
Miscellaneous	3,500	56,667	-	(53,167)	1619.1%	58,721
<b>TOTAL REVENUES</b>	<u>2,049,194</u>	<u>1,903,897</u>	<u>-</u>	<u>145,297</u>	<u>92.9%</u>	<u>1,795,462</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,095,646	1,098,698	-	(3,052)	100.3%	1,134,032
Materials, Supplies & Services	611,462	541,318	-	70,143	88.5%	551,954
Special Projects	14,524	7,540	5,724	1,260	91.3%	976
Transfers-Out	-	-	-	-	100.0%	507,767
Debt Service	213,407	213,408	-	(1)	100.0%	212,093
Capital Outlay Transfers	70,000	70,000	-	-	100.0%	553
Equipment	3,500	3,897	-	(397)	111.3%	2,597
Appropriated Reserve	52,272	-	-	52,272	0.0%	-
<b>TOTAL EXPENSES</b>	<u>2,060,811</u>	<u>1,934,861</u>	<u>5,724</u>	<u>120,226</u>	<u>94.2%</u>	<u>2,409,972</u>



**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**INTRA-CITY SERVICE FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Work Orders - Bldg Maint.	3,598,018	3,327,359	-	270,659	92.5%	3,298,854
Grants	742,970	125,499	-	617,472	16.9%	818,200
Service Charges	1,742,565	1,732,565	-	10,000	99.4%	1,641,481
Miscellaneous	-	24,641	-	(24,641)	100.0%	16,359
Operating Transfers-In	-	-	-	-	100.0%	65,000
<b>TOTAL REVENUES</b>	<b>6,083,553</b>	<b>5,210,064</b>	<b>-</b>	<b>873,489</b>	<b>85.6%</b>	<b>5,839,893</b>
<b>EXPENSES</b>						
Salaries & Benefits	2,858,723	2,777,074	-	81,649	97.1%	2,915,010
Materials, Supplies & Services	1,109,096	1,000,546	-	108,550	90.2%	922,001
Special Projects	2,010,520	1,086,750	339,490	584,281	70.9%	893,772
Capital Outlay Transfers	-	-	-	-	100.0%	65,829
Equipment	23,000	19,026	-	3,974	82.7%	1,353
Capitalized Fixed Assets	780,560	203,458	438,948	138,154	82.3%	807,782
<b>TOTAL EXPENSES</b>	<b>6,781,899</b>	<b>5,086,854</b>	<b>778,437</b>	<b>916,608</b>	<b>86.5%</b>	<b>5,605,747</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**FLEET REPLACEMENT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Rental Charges	1,791,427	1,791,427	-	-	100.0%	1,343,020
Investment Income	153,300	157,916	-	(4,616)	103.0%	206,814
Rents & Concessions	232,341	232,341	-	-	100.0%	242,848
Miscellaneous	50,000	46,586	-	3,414	93.2%	115,053
<b>TOTAL REVENUES</b>	<u>2,227,068</u>	<u>2,228,270</u>	<u>-</u>	<u>(1,202)</u>	<u>100.1%</u>	<u>1,907,735</u>
<b>EXPENSES</b>						
Salaries & Benefits	150,983	151,188	-	(205)	100.1%	150,474
Materials, Supplies & Services	993	1,668	-	(675)	168.0%	1,870
Capitalized Fixed Assets	4,479,566	1,805,549	256,657	2,417,360	46.0%	876,533
<b>TOTAL EXPENSES</b>	<u>4,631,542</u>	<u>1,958,405</u>	<u>256,657</u>	<u>2,416,480</u>	<u>47.8%</u>	<u>1,028,876</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**FLEET MAINTENANCE FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Vehicle Maintenance Charges	2,369,418	2,369,418	-	-	100.0%	2,480,238
Miscellaneous	60,000	60,629	-	(629)	101.0%	10,000
<b>TOTAL REVENUES</b>	<u>2,429,418</u>	<u>2,430,046</u>	<u>-</u>	<u>(628)</u>	<u>100.0%</u>	<u>2,490,238</u>
<b>EXPENSES</b>						
Salaries & Benefits	1,141,256	1,133,329	-	7,927	99.3%	1,136,597
Materials, Supplies & Services	1,255,238	1,161,918	43,241	50,079	96.0%	1,097,848
Special Projects	87,279	44,604	-	42,674	51.1%	33,346
Equipment	2,200	1,653	-	547	75.1%	11,800
<b>TOTAL EXPENSES</b>	<u>2,485,972</u>	<u>2,341,504</u>	<u>43,241</u>	<u>101,227</u>	<u>95.9%</u>	<u>2,279,591</u>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**SELF INSURANCE TRUST FUND**

	<b>** Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service Charges	-	316	-	(316)	100.0%	-
Insurance Premiums	2,583,750	2,584,609	-	(859)	100.0%	2,950,613
Workers' Compensation Premiums	2,643,581	2,643,581	-	-	100.0%	2,482,928
OSH Charges	277,322	-	-	277,322	0.0%	302,518
Investment Income	189,900	178,188	-	11,713	93.8%	273,043
Miscellaneous	-	47,986	-	(47,986)	100.0%	4,086
<b>TOTAL REVENUES</b>	<b>5,694,553</b>	<b>5,454,679</b>	<b>-</b>	<b>239,874</b>	<b>95.8%</b>	<b>6,013,187</b>
<b>EXPENSES</b>						
Salaries & Benefits	523,458	400,590	-	122,868	76.5%	547,216
Materials, Supplies & Services	4,928,992	4,755,127	95,616	78,250	98.4%	4,335,821
Special Projects	-	100	-	(100)	100.0%	-
Transfers-Out	717,988	717,988	-	-	100.0%	780,000
Capital Outlay Transfers	-	-	-	-	100.0%	1,105
Equipment	-	1,300	-	(1,300)	100.0%	-
Appropriated Reserve	23,671	-	-	23,671	0.0%	-
<b>TOTAL EXPENSES</b>	<b>6,194,109</b>	<b>5,875,105</b>	<b>95,616</b>	<b>223,388</b>	<b>96.4%</b>	<b>5,664,141</b>

**\*\* The Self Insurance Trust Fund is an internal service fund of the City, which accounts for the cost of providing workers' compensation, property and liability insurance as well as unemployment insurance and certain self-insured employee benefits on a city-wide basis. Internal Service Funds charge other funds for the cost of providing their specific services.**

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**INFORMATION SYSTEMS ICS FUND**

	<b>Annual Budget</b>	<b>YTD Actual</b>	<b>Encum- brances</b>	<b>Remaining Balance</b>	<b>Percent of Budget</b>	<b>Previous YTD</b>
<b>REVENUES</b>						
Service charges	2,302,393	2,291,583	-	10,810	99.5%	2,446,175
Miscellaneous	-	-	-	-	100.0%	226
Operating Transfers-In	37,200	37,200	-	-	100.0%	-
<b>TOTAL REVENUES</b>	<b>2,339,593</b>	<b>2,328,783</b>	<b>-</b>	<b>10,810</b>	<b>99.5%</b>	<b>2,446,401</b>
<b>EXPENSES</b>						
Salaries & Benefits	1,487,770	1,483,836	-	3,934	99.7%	1,462,019
Materials, Supplies & Services	549,179	481,936	4,750	62,493	88.6%	507,722
Special Projects	1,700	7,488	-	(5,788)	440.5%	3,408
Equipment	249,213	216,059	3,637	29,517	88.2%	312,387
Appropriated Reserve	56,839	-	-	56,839	0.0%	-
<b>TOTAL EXPENSES</b>	<b>2,344,701</b>	<b>2,189,319</b>	<b>8,387</b>	<b>146,994</b>	<b>93.7%</b>	<b>2,285,535</b>

**CITY OF SANTA BARBARA**  
**Interim Statement of Revenues and Expenses**  
**For the Twelve Months Ended June 30, 2011 (100% of Fiscal Year)**

**WATERFRONT FUND**

	<u>Annual Budget</u>	<u>YTD Actual</u>	<u>Encum- brances</u>	<u>Remaining Balance</u>	<u>Percent of Budget</u>	<u>Previous YTD</u>
<b>REVENUES</b>						
Leases - Commercial	1,372,773	1,343,351	-	29,422	97.9%	1,368,325
Leases - Food Service	2,173,351	2,357,471	-	(184,120)	108.5%	2,280,276
Slip Rental Fees	3,864,398	3,858,104	-	6,294	99.8%	3,662,909
Visitors Fees	555,894	416,262	-	139,632	74.9%	517,613
Slip Transfer Fees	621,957	428,875	-	193,082	69.0%	524,425
Parking Revenue	1,912,769	1,767,424	-	145,345	92.4%	1,861,915
Wharf Parking	244,477	223,524	-	20,953	91.4%	241,131
Other Fees & Charges	361,252	381,799	-	(20,547)	105.7%	366,474
Investment Income	215,759	188,324	-	27,435	87.3%	252,029
Rents & Concessions	299,504	331,356	-	(31,852)	110.6%	280,653
Grants	12,190	4,256	-	7,934	34.9%	-
Miscellaneous	128,650	161,817	-	(33,167)	125.8%	169,822
<b>TOTAL REVENUES</b>	<u>11,762,974</u>	<u>11,462,561</u>	<u>-</u>	<u>300,413</u>	<u>97.4%</u>	<u>11,525,572</u>
<b>EXPENSES</b>						
Salaries & Benefits	5,480,825	5,424,270	-	56,555	99.0%	5,317,129
Materials, Supplies & Services	3,405,267	3,228,750	116,945	59,572	98.3%	3,295,855
Special Projects	147,074	121,343	-	25,731	82.5%	116,578
Debt Service	1,665,997	1,522,956	-	143,041	91.4%	1,601,159
Capital Outlay Transfers	969,361	969,361	-	-	100.0%	1,131,381
Equipment	81,909	74,046	-	7,863	90.4%	16,683
Capitalized Fixed Assets	-	-	-	-	100.0%	134
Appropriated Reserve	100,000	-	-	100,000	0.0%	-
<b>TOTAL EXPENSES</b>	<u>11,850,433</u>	<u>11,340,726</u>	<u>116,945</u>	<u>392,763</u>	<u>96.7%</u>	<u>11,478,920</u>

NOTE - These figures reflect the operating fund only. Though the capital fund is excluded, the current year contribution from the operating fund is shown in the Capital Transfers.



# **CITY OF SANTA BARBARA**

## **CITY COUNCIL AGENDA REPORT**

**AGENDA DATE:** September 13, 2011

**TO:** Mayor and Councilmembers

**FROM:** Environmental Services Division, Finance Department

**SUBJECT:** Public Hearing Regarding Proposed Increase To Rates For Business Sector Recycling Services

**RECOMMENDATION:** That Council:

- A. Hold a Public Hearing, as required by State law, regarding a proposed increase to the rates for business sector recycling services effective October 1, 2011; and
- B. Provide direction to staff regarding any changes to the proposed rates for business sector recycling services effective October 1, 2011.

### **DISCUSSION:**

At its June 13, 2011 meeting, the City Council approved a 3.56% increase to the rates charged for solid waste services. The rate increase applied to all customer classes, including residential, multi-unit residential and business. The purpose of the rate increase was to: (1) cover an increase in the solid waste "tipping fee" charged at the Tajiguas Landfill; (2) to cover the City's contractual obligation to increase the amounts paid to the City's contracted haulers that is tied to the increase in the Consumer Price Index; and (3) to cover costs to operate and maintain a landfill gas collection and control system at the closed Las Positas Landfill.

Despite the rate increase, the Solid Waste Fund is still expected to realize a deficit of approximately \$450,000 for Fiscal Year 2012. Council directed staff to bridge this shortfall through another rate increase to the business sector only.

One of the concerns expressed by Council is that the price of recycling services was too low relative to the price of trash services. This price differential was put into place in 2009 to encourage more recycling, particularly in the newly implemented foodscraps collection and composting program.

Consequently, Council directed staff to only increase the rates on business *recycling* services to generate the needed \$450,000, which would help narrow the price differential between trash and recycling services.

The effect of generating the additional revenues through business recycling services only is that those rates would increase by approximately 108 percent. However, this does not necessarily mean that a business' total bill would increase by this same percentage since only fees for recycling services would rise while fees for trash services would remain unchanged. The overall impact to a business would depend upon the volume of recycling containers relative to the volume of trash containers used by the business. Those that subscribe to a greater proportion of recycling services would experience a higher rate increase than those that subscribe to fewer recycling services.

Attachment 1 includes current business sector recycling and trash rates, effective July 1, 2011 and the rates under the proposed October 1, 2011 increase. With the proposed fee increase, the cost for recycling services would still only be approximately 30 percent the cost of equivalent trash services. The impact of the increase to several types of business customers with varying levels of recycling service is illustrated on Attachment 2.

#### **Outreach to Impacted Businesses**

On July 21, 2011, staff mailed the attached notice announcing the public hearing for the proposed rate increase to all business customers. In addition, between July 15 and August 31, 2011, staff conducted one-to-one outreach to 250 businesses that would experience an increase of at least \$50 per month on their total trash bill. Staff also contacted the Santa Barbara Chamber of Commerce and the Greater Santa Barbara Lodging and Restaurant Association to prepare them to address inquiries from their members regarding the proposed rate increase.

The majority of the businesses contacted were not happy about the proposed rate increase, but understood the need for it. Less than ten percent expressed a high level of dissatisfaction. For those businesses that requested assistance to further reduce their trash and recycling collection bill, staff conducted an assessment of the business' waste stream to determine whether additional recycling by the business could lower its trash bill. As of August 31, 2011, no written protests regarding the proposed rate increase had been received.

**ATTACHMENTS:**

1. Proposed October 1, 2011 Business Rates
2. Impact of Rate Increase on Businesses
3. Notice of Public Hearing – Proposed Increase to Rates for Business Sector Diversion Services

**PREPARED BY:** Matt Fore, Environmental Services Manager  
**SUBMITTED BY:** Robert Samario, Finance Director  
**APPROVED BY:** City Administrator's Office



## Business Collection Services - Proposed Rates Effective October 1, 2011

Container Type			Number of Collections per Week							Extra Pickup (per cont.)
			1	2	3	4	5	6	7	
Trash	32 gallon	Can	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00	\$147.00	\$5.78
Trash	32 gallon	Cart	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00	\$147.00	\$5.78
Trash	64 gallon	Cart	\$40.95	\$81.90	\$122.85	\$163.80	\$204.75	\$245.70	\$286.65	\$11.26
Trash	96 gallon	Cart	\$60.89	\$121.78	\$182.67	\$243.56	\$304.45	\$365.34	\$426.23	\$16.74
Trash	1.5 cubic yard	Dumpster	\$111.70	\$234.57	\$357.44	\$480.31	\$603.18	\$726.05	\$848.92	\$30.72
Trash	2 cubic yard	Dumpster	\$148.72	\$312.31	\$475.90	\$639.50	\$803.09	\$966.68	\$1,130.27	\$40.90
Trash	3 cubic yard	Dumpster	\$222.78	\$467.84	\$712.90	\$957.95	\$1,203.01	\$1,448.07	\$1,693.13	\$61.26
Trash	4 cubic yard	Dumpster	\$296.83	\$623.34	\$949.86	\$1,276.37	\$1,602.88	\$1,929.40	\$2,255.91	\$81.63
Trash Compacted	1.5 cubic yard	Dumpster	\$333.86	\$701.11	\$1,068.35	\$1,435.60	\$1,802.84	\$2,170.09	\$2,537.34	\$91.81
Trash Compacted	2 cubic yard	Dumpster	\$444.94	\$934.37	\$1,423.81	\$1,913.24	\$2,402.68	\$2,892.11	\$3,381.54	\$122.36
Trash Compacted	3 cubic yard	Dumpster	\$667.10	\$1,400.91	\$2,134.72	\$2,868.53	\$3,602.34	\$4,336.15	\$5,069.96	\$183.45
Recycling	32 gallon	Can	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88	\$24.36	\$0.96
Recycling	32 gallon	Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88	\$24.36	\$0.96
Recycling	64 gallon	Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76	\$48.72	\$1.91
Recycling	96 gallon	Cart	\$10.44	\$20.88	\$31.32	\$41.76	\$52.20	\$62.64	\$73.08	\$2.87
Recycling	1.5 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Recycling	2 cubic yard	Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21	\$346.33	\$12.53
Recycling	3 cubic yard	Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76	\$518.85	\$18.77
Recycling	4 cubic yard	Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24	\$691.30	\$25.01
Greenwaste	32 gallon	Can	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88	\$24.36	\$0.96
Greenwaste	32 gallon	Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88	\$24.36	\$0.96
Greenwaste	64 gallon	Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76	\$48.72	\$1.91
Greenwaste	96 gallon	Cart	\$10.44	\$20.88	\$31.32	\$41.76	\$52.20	\$62.64	\$73.08	\$2.87
Greenwaste	1.5 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Greenwaste	2 cubic yard	Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21	\$346.33	\$12.53
Greenwaste	3 cubic yard	Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76	\$518.85	\$18.77
Greenwaste	4 cubic yard	Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24	\$691.30	\$25.01
Foodscraps	32 gallon	Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88	\$24.36	\$0.96
Foodscraps	64 gallon	Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76	\$48.72	\$1.91
Foodscraps	1.5 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Foodscraps	2 cubic yard	Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21	\$346.33	\$12.53
Foodscraps	3 cubic yard	Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76	\$518.85	\$18.77
Foodscraps	4 cubic yard	Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24	\$691.30	\$25.01

Dumpster Credits and Services		Number of Collections per Week							Flat Rate
		1	2	3	4	5	6	7	
Trash	credit for customer-owned dumpster								-\$44.04
Diversion	credit for customer-owned dumpster								-\$6.61
Dumpster Push Out, more than 25'		\$6.27	\$12.54	\$18.81	\$25.08	\$31.35	\$37.62	\$43.89	

## Notes

- Dumpster Rental included in price. Customers-owned dumpsters receive a credit.
- Trash services in carts/cans includes 96 gallons each of recycling and greenwaste per week.
- Extra pickups for carts/cans not on regular service day are charged as "Go Back" (See Special Services).
- Cans and carts will be serviced from regular location or enclosures

## Business Collection Services-Current Rates Effective July 1, 2011

			Number of Collections per Week							Extra Pickup
			1	2	3	4	5	6	7	
Trash	32 gallon	Can	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00	\$147.00	\$5.78
Trash	32 gallon	Cart	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00	\$147.00	\$5.78
Trash	64 gallon	Cart	\$40.95	\$81.90	\$122.85	\$163.80	\$204.75	\$245.70	\$286.65	\$11.26
Trash	96 gallon	Cart	\$60.89	\$121.78	\$182.67	\$243.56	\$304.45	\$365.34	\$426.23	\$16.74
Trash	1.5 cubic yard	Dumpster	\$111.70	\$234.57	\$357.44	\$480.31	\$603.18	\$726.05	\$848.92	\$30.72
Trash	2 cubic yard	Dumpster	\$148.72	\$312.31	\$475.90	\$639.50	\$803.09	\$966.68	\$1,130.27	\$40.90
Trash	3 cubic yard	Dumpster	\$222.78	\$467.84	\$712.90	\$957.95	\$1,203.01	\$1,448.07	\$1,693.13	\$61.26
Trash	4 cubic yard	Dumpster	\$296.83	\$623.34	\$949.86	\$1,276.37	\$1,602.88	\$1,929.40	\$2,255.91	\$81.63
Trash Compacted	1.5 cubic yard	Dumpster	\$333.86	\$701.11	\$1,068.35	\$1,435.60	\$1,802.84	\$2,170.09	\$2,537.34	\$91.81
Trash Compacted	2 cubic yard	Dumpster	\$444.94	\$934.37	\$1,423.81	\$1,913.24	\$2,402.68	\$2,892.11	\$3,381.54	\$122.36
Trash Compacted	3 cubic yard	Dumpster	\$667.10	\$1,400.91	\$2,134.72	\$2,868.53	\$3,602.34	\$4,336.15	\$5,069.96	\$183.45
Recycling	32 gallon	Can	\$1.75	\$3.50	\$5.25	\$7.00	\$8.75	\$10.50	\$12.25	\$0.48
Recycling	32 gallon	Cart	\$1.75	\$3.50	\$5.25	\$7.00	\$8.75	\$10.50	\$12.25	\$0.48
Recycling	64 gallon	Cart	\$3.49	\$6.98	\$10.47	\$13.96	\$17.45	\$20.94	\$24.43	\$0.96
Recycling	96 gallon	Cart	\$5.24	\$10.48	\$15.72	\$20.96	\$26.20	\$31.44	\$36.68	\$1.44
Recycling	1.5 cubic yard	Dumpster	\$17.16	\$36.04	\$54.91	\$73.79	\$92.66	\$111.54	\$130.42	\$4.72
Recycling	2 cubic yard	Dumpster	\$22.85	\$47.99	\$73.12	\$98.26	\$123.39	\$148.53	\$173.66	\$6.28
Recycling	3 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Recycling	4 cubic yard	Dumpster	\$45.61	\$95.78	\$145.95	\$196.12	\$246.29	\$296.47	\$346.64	\$12.54
Greenwaste	32 gallon	Can	\$1.75	\$3.50	\$5.25	\$7.00	\$8.75	\$10.50	\$12.25	\$0.48
Greenwaste	32 gallon	Cart	\$1.75	\$3.50	\$5.25	\$7.00	\$8.75	\$10.50	\$12.25	\$0.48
Greenwaste	64 gallon	Cart	\$3.49	\$6.98	\$10.47	\$13.96	\$17.45	\$20.94	\$24.43	\$0.96
Greenwaste	96 gallon	Cart	\$5.24	\$10.48	\$15.72	\$20.96	\$26.20	\$31.44	\$36.68	\$1.44
Greenwaste	1.5 cubic yard	Dumpster	\$17.16	\$36.04	\$54.91	\$73.79	\$92.66	\$111.54	\$130.42	\$4.72
Greenwaste	2 cubic yard	Dumpster	\$22.85	\$47.99	\$73.12	\$98.26	\$123.39	\$148.53	\$173.66	\$6.28
Greenwaste	3 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Greenwaste	4 cubic yard	Dumpster	\$45.61	\$95.78	\$145.95	\$196.12	\$246.29	\$296.47	\$346.64	\$12.54
Foodscraps	32 gallon	Cart	\$1.75	\$3.50	\$5.25	\$7.00	\$8.75	\$10.50	\$12.25	\$0.48
Foodscraps	64 gallon	Cart	\$3.49	\$6.98	\$10.47	\$13.96	\$17.45	\$20.94	\$24.43	\$0.96
Foodscraps	1.5 cubic yard	Dumpster	\$17.16	\$36.04	\$54.91	\$73.79	\$92.66	\$111.54	\$130.42	\$4.72
Foodscraps	2 cubic yard	Dumpster	\$22.85	\$47.99	\$73.12	\$98.26	\$123.39	\$148.53	\$173.66	\$6.28
Foodscraps	3 cubic yard	Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50	\$260.15	\$9.41
Foodscraps	4 cubic yard	Dumpster	\$45.61	\$95.78	\$145.95	\$196.12	\$246.29	\$296.47	\$346.64	\$12.54

Number of Collections per Week							Flat Rate
1	2	3	4	5	6	7	
							-\$44.04
							-\$6.61
\$6.05	\$12.10	\$18.14	\$24.19	\$30.24	\$36.29	\$42.34	

- Dumpster Rental included in price. Customers-owned dumpsters receive a credit.
- Trash services in carts/cans includes 96 gallons each of recycling and greenwaste per week.
- Extra pickups for carts/cans not on regular service day are charged as "Go Back" (See Special Services).
- Cans and carts will be serviced from regular location or enclosures

### Comparison of Rates

Customer Type	Current Rate FY-11	New Rate Oct. 1	% Change
Business Cart Service - No Diversion	\$121.78	\$121.78	3.6%
Business Cart Service - Diversion at Goal	\$60.89	\$60.89	3.6%
Business Dumpster Service - Low Diversion	\$668.95	\$714.30	6.8%
Business Dumpster Service - Diversion at Goal	\$392.61	\$487.85	24.3%
Business Dumpster Service - Very High Diversion	\$332.32	\$441.24	32.8%

**NOTICE OF PUBLIC HEARING**  
**Proposed Increase to Rates for Business**  
**Sector Diversion Services**



**Date:** September 13, 2011  
**Time:** 2:00 p.m.  
**Place:** City Council Chambers, City Hall  
735 Anacapa Street, Santa Barbara

**NOTICE IS HEREBY GIVEN** that the City Council of the City of Santa Barbara will consider a recommendation to adopt a resolution, at the above-indicated time and place, to increase business sector recycling collection service rates charged by the City. Increases would be effective on utility bills dated October 1, 2011 or later. The proposed rate schedule is included on the reverse side of this notice. Small variations in the stated percentages may occur due to rounding.

Each year, the City Council of the City of Santa Barbara establishes fees for the routine collection of trash and recyclable materials (mixed recyclables, green waste, and food scraps) in the City. Prior to November of 2009, fees charged for recycling services were 50 percent of the fees for equivalent trash services. In November of 2009, the fee for recycling services was lowered to approximately 15 percent of the fee for equivalent trash services to further encourage businesses to recycle.

Since November of 2009, both the number of customers and the levels of trash and recycling services to which they subscribe have fallen with the worsening economy. However, the fixed costs to collect trash and recycling have remained constant. With fewer customers subscribing to service, the existing fees no longer cover the costs to provide these services. In addition, revenue from the sale of recyclable materials also plummeted over the same time period. Besides these revenue losses, the Solid Waste Fund was also required by State law to spend approximately \$1,000,000 to construct and maintain a landfill gas collection system at the closed dumpsite beneath Elings Park.

For these reasons, the City Council directed staff to increase fees for business sector recycling services in order to balance the City's Solid Waste Fund for Fiscal Year 2012. In addition, the rate increases are designed to reduce the price differential between recycling containers and equivalent trash containers. As a result, effective October 1, 2011, fees on business sector recycling containers would increase by 108 percent. This does not necessarily mean that a business' total bill would increase by this same percentage since only fees for recycling services would rise while fees for trash services would remain unchanged. The overall impact to a business would depend upon the number of recycling containers currently utilized relative to trash containers by the business. Those that subscribe to a greater proportion of recycling services would experience a higher rate increase than those that subscribe to fewer recycling services.

With the proposed fee increase, the cost for recycling services would still only be approximately 30 percent of equivalent trash services. Therefore, businesses can still control their disposal costs by recycling. The proposed rates for business sector trash and recycling services is printed on the other side of this letter for your reference.

A public hearing on the proposed fee adjustment is scheduled for Tuesday, September 13, 2011 at the City Council meeting. For more information on the date and time of this meeting, please visit <http://www.santabarbaraca.gov/Government/Council/CAP/> or contact the City Clerk at (805) 564-5309. For more information and assistance to establish or improve a recycling program at your business, feel free to contact Environmental Services at (805) 564-5631.

If you oppose any of the above increases, please deliver your protest in writing, including your name and service address, to the City Clerk of the City of Santa Barbara at 735 Anacapa Street, Santa Barbara, CA, 93101, prior to or during the City Council's consideration of this item on September 13, 2011. If you wish to submit your protest during the public hearing, please deliver it to City Staff in the Council Chamber.

**CITY OF SANTA BARBARA**  
**MONTHLY FRANCHISE SOLID WASTE COLLECTION RATES**  
**PROPOSED EFFECTIVE DATE October 1, 2011**  
**Business Collection Services-Monthly Rates**

Container Type		Number of Collections per Week					Extra Pickup (per cont.)
		1	2	3	4	5	
Trash	32 gallon Can	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00 \$147.00 \$5.78
Trash	32 gallon Cart	\$21.00	\$42.00	\$63.00	\$84.00	\$105.00	\$126.00 \$147.00 \$5.78
Trash	64 gallon Cart	\$40.95	\$81.90	\$122.85	\$163.80	\$204.75	\$245.70 \$286.65 \$11.26
Trash	96 gallon Cart	\$60.89	\$121.78	\$182.67	\$243.56	\$304.45	\$365.34 \$426.23 \$16.74
Trash	1.5 cubic yard Dumpster	\$111.70	\$234.57	\$357.44	\$480.31	\$603.18	\$726.05 \$848.92 \$30.72
Trash	2 cubic yard Dumpster	\$148.72	\$312.31	\$475.90	\$639.50	\$803.09	\$966.68 \$1,130.27 \$40.90
Trash	3 cubic yard Dumpster	\$222.78	\$467.84	\$712.90	\$957.95	\$1,203.01	\$1,448.07 \$1,693.13 \$61.26
Trash	4 cubic yard Dumpster	\$296.83	\$623.34	\$949.86	\$1,276.37	\$1,602.88	\$1,929.40 \$2,255.91 \$81.63
Trash Compacted	1.5 cubic yard Dumpster	\$333.86	\$701.11	\$1,068.35	\$1,435.60	\$1,802.84	\$2,170.09 \$2,537.34 \$91.81
Trash Compacted	2 cubic yard Dumpster	\$444.94	\$934.37	\$1,423.81	\$1,913.24	\$2,402.68	\$2,892.11 \$3,381.54 \$122.36
Trash Compacted	3 cubic yard Dumpster	\$667.10	\$1,400.91	\$2,134.72	\$2,868.53	\$3,602.34	\$4,336.15 \$5,069.96 \$183.45
Recycling	32 gallon Can	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88 \$24.36 \$0.96
Recycling	32 gallon Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88 \$24.36 \$0.96
Recycling	64 gallon Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76 \$48.72 \$1.91
Recycling	96 gallon Cart	\$10.44	\$20.88	\$31.32	\$41.76	\$52.20	\$62.64 \$73.08 \$2.87
Recycling	1.5 cubic yard Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50 \$260.15 \$9.41
Recycling	2 cubic yard Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21 \$346.33 \$12.53
Recycling	3 cubic yard Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76 \$518.85 \$18.77
Recycling	4 cubic yard Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24 \$691.30 \$25.01
Greenwaste	32 gallon Can	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88 \$24.36 \$0.96
Greenwaste	32 gallon Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88 \$24.36 \$0.96
Greenwaste	64 gallon Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76 \$48.72 \$1.91
Greenwaste	96 gallon Cart	\$10.44	\$20.88	\$31.32	\$41.76	\$52.20	\$62.64 \$73.08 \$2.87
Greenwaste	1.5 cubic yard Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50 \$260.15 \$9.41
Greenwaste	2 cubic yard Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21 \$346.33 \$12.53
Greenwaste	3 cubic yard Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76 \$518.85 \$18.77
Greenwaste	4 cubic yard Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24 \$691.30 \$25.01
Foodscraps	32 gallon Cart	\$3.48	\$6.96	\$10.44	\$13.92	\$17.40	\$20.88 \$24.36 \$0.96
Foodscraps	64 gallon Cart	\$6.96	\$13.92	\$20.88	\$27.84	\$34.80	\$41.76 \$48.72 \$1.91
Foodscraps	1.5 cubic yard Dumpster	\$34.23	\$71.88	\$109.54	\$147.19	\$184.84	\$222.50 \$260.15 \$9.41
Foodscraps	2 cubic yard Dumpster	\$45.57	\$95.70	\$145.82	\$195.95	\$246.08	\$296.21 \$346.33 \$12.53
Foodscraps	3 cubic yard Dumpster	\$68.27	\$143.37	\$218.46	\$293.56	\$368.66	\$443.76 \$518.85 \$18.77
Foodscraps	4 cubic yard Dumpster	\$90.96	\$191.02	\$291.07	\$391.13	\$491.18	\$591.24 \$691.30 \$25.01